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LEGISLATIVE HISTORY

Public Law 152--78th Congress

Chapter 242--1st Session

S. 1252

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DIGEST OF PUBLIC LAW 152

WHEELER-CASE ACT AMENDMENTS. Amends this Act, which authorizes water conservation and utilization projects, so as to facilitate construction and administration of the projects and to provide for use of appropriations in lieu of "services, labor, material," etc.

INDEX AND SUMMARY OF HISTORY ON S. 1252.

June 22, 1943	H. R. 3018 introduced by Mr. White and referred to the House Committee on Irrigation and Reclamation. (Similar bill)
	S. 1257 introduced by Mr. McCarran and others and referred to the Senate Committee on Irrigation and Reclamation. (Similar bill)
	H. R. 3019 introduced by Mr. White and referred to the House Committee on Irrigation and Reclamation. (Companion bill).
	S. 1252 introduced by Mr. McCarran and others and referred to the Senate Committee on Irrigation and Reclamation.
June 23, 1943	Hearings: House, H. R. 3018 and H. R. 3019.
June 24, 1943	H. R. 3018 reported by House Committee on Irrigation and Reclamation with amendments. H. Report 598. Print of the bill as reported.
	H. R. 3019 reported by House Committee on Irrigation and Reclamation without amendment. Print of the bill as reported. House Report 597.
June 29, 1943	Hearings: Senate, S. 1252 and S. 1257.
	S. 1257 reported by the Senate Committee on Irrigation and Reclamation with amendments. Senate Report 366. Print of the bill as reported.
	S. 1252 reported by the Senate Committee on Irrigation and Reclamation with amendment. Senate Report 365. Print of the bill as reported. Debated and passed Senate as reported.
July 1, 1943	
July 5, 1943	Debated and passed House without amendment.
July 16, 1943	Approved. Public Law 152.



78TH CONGRESS
1ST SESSION

H. R. 3018

IN THE HOUSE OF REPRESENTATIVES

JUNE 22, 1943

Mr. WHITE introduced the following bill; which was referred to the Committee on Irrigation and Reclamation

A BILL

Authorizing wartime construction and operation and maintenance of reclamation projects.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That for the purpose of increasing production of crops re-
4 quired in connection with the prosecution of the war, the
5 Secretary of the Interior (hereinafter called the "Secretary")
6 is authorized to construct or improve, and to operate and
7 maintain irrigation storage, distribution, and drainage sys-
8 tems and related facilities on federally or nonfederally
9 owned lands in the seventeen westernmost States; to clear,
10 level, and prepare such lands for distribution of irrigation
11 waters; and to lease, for periods not exceeding five years,

1 federally owned or controlled lands for the production of
2 such crops and for related uses. No construction of irriga-
3 tion storage, distribution, or drainage systems shall be under-
4 taken by the Secretary pursuant to this Act until he shall
5 have made (1) a determination of the engineering feasi-
6 bility of such work, (2) an estimate of the cost thereof, and
7 (3) a report to the Federal Food Administrator of the addi-
8 tional acreage which may be made productive thereby, and
9 until said Administrator shall have certified that said work
10 is necessary for the production of crops required in connec-
11 tion with the prosecution of the war. Activities pursuant to
12 this Act may be undertaken on lands in any project here-
13 tofore initiated under the Federal reclamation laws or the
14 so-called Water Conservation and Utilization Project Act of
15 August 11, 1939 (53 Stat. 1418), as amended, as well as on
16 any other federally or nonfederally owned lands. Muni-
17 cipal or miscellaneous water supply, electric power, or flood-
18 control features may be constructed, operated, and main-
19 tained by the Secretary as incidental to and part of reclama-
20 tion work undertaken pursuant to this Act. The authority
21 of this Act shall be exercised by the Secretary in whatever
22 manner and on whatever terms he determines to be most
23 effective for wartime purposes: *Provided*, That nonfed-
24 erally owned lands may, by the Secretary, be cleared, leveled,
25 or prepared for distribution of irrigation water only with the

1 consent of the ostensible owner and pursuant to contract
2 therefor with said owner.

3 SEC. 2. (a) In connection with any construction or
4 operation and maintenance pursuant to the provisions of this
5 Act, the Secretary shall have the same authority, with regard
6 to the utilization of lands owned by the United States, as he
7 has in connection with projects undertaken pursuant to the
8 Federal reclamation laws, Act of June 17, 1902 (32 Stat.
9 388), and Acts amendatory thereof or supplementary thereto.

10 (b) In connection with investigations, construction, or
11 operation and maintenance undertaken pursuant to the au-
12 thority of this Act, the Secretary shall have with respect to
13 construction contracts, purchase of supplies and equipment,
14 procurement of services, and the expenditure of contributed
15 funds; with respect to the acquisition, exchange, and disposi-
16 tion of lands, interests in lands, water rights, and other prop-
17 erty and the relocation thereof; and with respect to other
18 matters relating to such investigations, construction, or opera-
19 tion and maintenance, the same authority, including authority
20 to acquire lands and interests in lands and water rights with
21 titles and at prices satisfactory to him, which he has in con-
22 nection with projects under the Federal reclamation laws.

23 (c) The provisions of subsections (a) and (b) of this
24 section are cumulative to all other existing authority and
25 shall not be deemed, nor operate as, limitations on the

1 authority provided elsewhere in this Act. Wherever in this
2 Act functions, powers, or duties are conferred upon the
3 Secretary, said functions, powers, or duties may be per-
4 formed, exercised, or discharged by his duly authorized
5 representatives.

6 SEC. 3. The utilization of services or labor of prisoners
7 of war, enemy aliens, and American-born Japanese in con-
8 nection with work undertaken pursuant to the authority of
9 this Act is authorized, subject to the approval of, and
10 regulations by, the War Department or other Federal agency
11 having control of such persons.

12 SEC. 4. (a) In connection with any irrigation project
13 under the Secretary's jurisdiction, and in connection with
14 any irrigation storage or distribution works constructed
15 pursuant to the authority of this Act, delivery of water may,
16 until one year after the cessation of hostilities determined
17 in accordance with section 7, be made to or for lands of
18 whatever acreage held in single ownership, corporate or
19 otherwise, the Secretary determines to be proper for war-
20 time purposes, without regard to restrictions in existing
21 laws or contracts. Any delivery of water hereunder to
22 land in excess of one hundred and sixty acres of irrigable
23 land or smaller-sized farm units established under the Fed-
24 eral reclamation laws, owned by any one landowner shall
25 not entitle the landowner or anyone holding under him

1 or anyone receiving water service for said excess land to
2 continuation of water deliveries to or for said excess land
3 after the date one year after the cessation of hostilities deter-
4 mined in accordance with section 7, it being the hereby
5 declared policy of the Congress that settlement and opera-
6 tion of federally irrigated lands by qualified farmers and
7 their families is the basic reclamation purpose of the United
8 States, and that the operations by the Secretary under this
9 Act shall be directed to the effective carrying out of that
10 basic purpose when hostilities in the present war have ceased
11 and demobilization of the armed forces has commenced.

12 (b) The Secretary is hereby authorized, for purposes of
13 irrigation farming and related uses to acquire by purchase
14 lands within the area served by any project under his juris-
15 diction, or to be served by irrigation or distribution works
16 constructed pursuant to the authority of this Act: *Provided*,
17 That any such acquired lands shall be leased by the Sec-
18 retary pursuant to the provisions of section 1 for the pro-
19 duction of crops declared necessary by the War Food Admin-
20 istration and for related uses.

21 SEC. 5. The Secretary may enter into agreements to pay
22 annual sums in lieu of taxes to any State or political sub-
23 division thereof with respect to any real property situated
24 therein after it is acquired pursuant to the authority of sec-
25 tion 4 (b) of this Act: *Provided*, That the amount so paid

1 for any year upon any such property shall not, in any event,
2 exceed the amount of the taxes imposed on such property for
3 the year last prior to the year in which the United States
4 acquired such property.

5 SEC. 6. There is hereby authorized to be appropriated,
6 out of any money in the Treasury not otherwise appropriated,
7 such sums of money as may be necessary to carry out the
8 provisions of this Act, including investigations and surveys
9 of work proposed pursuant to this Act; and, from such sums
10 appropriated, expenditures may be made for personal services
11 in the District of Columbia and may be made for all objects
12 of expenditure that are specified in the Interior Department
13 Appropriation Act, 1944, under the caption "Bureau of Rec-
14 lamation, Administrative Provisions and Limitations", with-
15 out regard to the amounts of the limitations therein set forth.
16 All receipts from operations under this Act shall be covered
17 into the Treasury to the credit of miscellaneous receipts.

18 SEC. 7. No construction of a project or division of a
19 project shall be commenced pursuant to the authority of this
20 Act from and after the date one year after the cessation of
21 hostilities in the present war as determined by proclamation
22 of the President or concurrent resolution of the Congress.
23 As soon as practicable after the cessation of hostilities as thus
24 determined, the Secretary shall report to the Congress on the
25 construction and operations undertaken pursuant to this Act

1 and shall submit his recommendations for whatever adjust-
2 ments in project accounts and arrangements for the operations
3 of projects need, in his judgment, be made by reason of activ-
4 ities undertaken pursuant to this Act.

5 SEC. 8. This Act may be cited as the "Wartime Rec-
6 lamation Act of 1943."

78TH CONGRESS
1ST Session

H. R. 3018

A BILL

Authorizing wartime construction and operation and maintenance of reclamation projects.

By Mr. WHITE

JUNE 22, 1943

Referred to the Committee on Irrigation and Reclamation

78TH CONGRESS
1ST SESSION

S. 1257

IN THE SENATE OF THE UNITED STATES

JUNE 22 (legislative day, MAY 24), 1943

Mr. McCARRAN (for himself, Mr. HAYDEN, Mr. O'MAHONEY, Mr. CHAVEZ, and Mr. BUTLER) introduced the following bill; which was read twice and referred to the Committee on Irrigation and Reclamation

A BILL

Authorizing wartime construction and operation and maintenance
of reclamation projects.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That for the purpose of increasing production of crops required
4 in connection with the prosecution of the war, the Secretary
5 of the Interior (hereinafter called the "Secretary") is author-
6 ized to construct or improve, and to operate and maintain
7 irrigation storage, distribution, and drainage systems and
8 related facilities on federally or nonfederally owned lands
9 in the seventeen westernmost States; to clear, level, and
10 prepare such lands for distribution of irrigation water; and

1 to lease, for a period not exceeding five years, federally
2 owned or controlled lands for the production of such crops
3 and for related uses. No construction of irrigation storage,
4 distribution, or drainage systems shall be undertaken by the
5 Secretary pursuant to this Act until he shall have made (1)
6 a determination of the engineering feasibility of such work,
7 (2) and estimate of the cost thereof, and (3) a report to
8 the Federal Food Administrator of the additional acreage
9 which may be made productive thereby, and until said
10 Administrator shall have certified that said work is neces-
11 sary for the production of crops required in connection with
12 the prosecution of the war. Activities pursuant to this Act
13 may be undertaken on lands in any project heretofore initi-
14 ated under the Federal reclamation laws or the so-called
15 Water Conservation and Utilization Project Act of August
16 11, 1939 (53 Stat. 1418), as amended, as well as on any
17 other federally or nonfederally owned lands: *Provided*,
18 That no nonfederally owned lands shall be cleared, leveled,
19 or prepared for distribution of irrigation water except by
20 and with the consent of the owner and pursuant to contract
21 therefor with said owner.

22 SEC. 2. (a) In connection with any construction or
23 operation and maintenance pursuant to the provisions of this
24 Act, the Secretary shall have the same authority, with regard
25 to the utilization of lands owned by the United States, as he

1 has in connection with projects undertaken pursuant to the
2 Federal reclamation laws, Act of June 17, 1902 (32 Stat.
3 388), and Acts amendatory thereof or supplementary
4 thereto.

5 (b) In connection with investigations, construction, or
6 operation and maintenance undertaken pursuant to the au-
7 thority of this Act, the Secretary shall have with respect to
8 construction contracts, purchase of supplies and equipment,
9 procurement of services, and the expenditure of contributed
10 funds; with respect to the acquisition, exchange, and dis-
11 position of lands, interests in lands, water rights, and other
12 property and the relocation thereof; and with respect to other
13 matters relating to such investigations, construction, or opera-
14 tion and maintenance, the same authority, including author-
15 ity to acquire lands and interests in lands and water rights
16 with titles and at prices satisfactory to him, which he has in
17 connection with projects under the Federal reclamation laws.

18 (c) The provisions of subsections (a) and (b) of this
19 section are cumulative to all other existing authority and shall
20 not be deemed, nor operate as, limitations on the authority
21 provided elsewhere in this Act. Wherever in this Act func-
22 tions, powers, or duties are conferred upon the Secretary,
23 said functions, powers, or duties may be performed, exer-
24 cised, or discharged by his duly authorized representatives.

25 SEC. 3. The utilization of services or labor of prisoners

1 of war, enemy aliens, and American-born Japanese in con-
2 nection with work undertaken pursuant to the authority of
3 this Act is authorized, subject to the approval of, and regu-
4 lations by, the War Department or other Federal agency
5 having control of such persons.

6 SEC. 4. (a) In connection with any irrigation project
7 under the Secretary's jurisdiction, and in connection with
8 any irrigation storage or distribution works constructed pur-
9 suant to the authority of this Act, delivery of water may,
10 until one year after the cessation of hostilities determined in
11 accordance with section 7, be made to or for lands of what-
12 ever acreage held in single ownership, corporate or other-
13 wise, the Secretary determines to be proper for wartime
14 purposes, without regard to restrictions in existing laws or
15 contracts. Any delivery of water hereunder to land in excess
16 of one hundred and sixty acres of irrigable land or smaller-
17 sized farm units established under the Federal reclamation
18 laws, owned by any one landowner, shall not entitle the land-
19 owner or anyone holding under him or anyone receiving
20 water service for said excess land to continuation of water
21 deliveries to or for said excess land after the date one year
22 after the cessation of hostilities determined in accordance
23 with section 7, it being the hereby declared policy of the
24 Congress that settlement and operation of federally irrigated
25 lands by qualified farmers and their families is the basic

1 reclamation purpose of the United States, and that the oper-
2 ations by the Secretary under this Act shall be directed to
3 the effective carrying out of that basic purpose when hos-
4 tilities in the present war have ceased and demobilization of
5 the armed forces has commenced.

6 (b) The Secretary is hereby authorized, for purposes
7 of irrigation farming and related uses, to acquire by purchase
8 lands within the area served by any project under his juris-
9 diction, or to be served by irrigation or distribution works
10 constructed pursuant to the authority of this Act: *Provided*,
11 That any such acquired lands shall be leased by the Sec-
12 retary pursuant to the provisions of section 1 for the produc-
13 tion of crops declared necessary by the War Food Adminis-
14 tration and for related uses.

15 SEC. 5. The Secretary may enter into agreements to
16 pay annual sums in lieu of taxes to any State or political
17 subdivision thereof with respect to any real property situated
18 therein after it is acquired pursuant to the authority of sec-
19 tion 4 (b) of this Act: *Provided*, That the amount so paid
20 for any year upon any such property shall not, in any event,
21 exceed the amount of the taxes imposed on such property for
22 the year last prior to the year in which the United States
23 acquired such property.

24 SEC. 6. There is hereby authorized to be appropriated,
25 out of any money in the Treasury not otherwise appropriated,

1 such sums of money as may be necessary to carry out the
2 provisions of this Act, including investigations and surveys
3 of work proposed pursuant to this Act; and, from such
4 sums appropriated, expenditures may be made for personal
5 services in the District of Columbia and may be made for
6 all objects of expenditure that are specified in the Interior
7 Department Appropriation Act, 1944, under the caption
8 "Bureau of Reclamation, Administrative Provisions and
9 Limitations", without regard to the amounts of the limitations
10 therein set forth. All receipts from operations under this
11 Act shall be covered into the Treasury to the credit of
12 miscellaneous receipts.

13 SEC. 7. No construction of a project or division of a
14 project shall be commenced pursuant to the authority of this
15 Act from and after the date one year after the cessation of
16 hostilities in the present war as determined by proclamation
17 of the President or concurrent resolution of the Congress.
18 The Secretary shall annually report to the Congress on
19 constructions and operations under this Act and, as soon as
20 practicable after the cessation of hostilities as thus determined,
21 the Secretary shall submit a complete report to the Con-
22 gress on the construction and operations undertaken pursu-
23 ant to this Act and shall submit his recommendations for
24 whatever adjustments in project accounts and arrangements

1 for the operations of projects need, in his judgment, be made
2 by reason of activities undertaken pursuant to this Act.

3 SEC. 8. This Act may be cited as the "Wartime Recla-
4 mation Act of 1943".

A BILL

Authorizing wartime construction and operation and maintenance of reclamation projects.

By Mr. McCARRAN, Mr. HAYDEN, Mr. O'MAHONEY, Mr. CHAVEZ, and Mr. BUTLER

JUNE 22 (legislative day, MAY 24), 1943
Read twice and referred to the Committee on
Irrigation and Reclamation

78TH CONGRESS
1ST SESSION

H. R. 3019

IN THE HOUSE OF REPRESENTATIVES

JUNE 22, 1943

Mr. WHITE introduced the following bill; which was referred to the Committee on Irrigation and Reclamation

A BILL

To amend the Act of August 11, 1939 (53 Stat. 1418), as amended by the Act of October 14, 1940 (54 Stat. 1119), relating to water conservation and utilization projects.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the last proviso of section 1 of the Act of August 11,
4 1939 (53 Stat. 1418), as amended (hereinafter referred to
5 as the Act), is hereby amended to read as follows: "*And*
6 *provided further,* That expenditures from appropriations
7 made directly pursuant to the authority contained in section
8 12 (1) to meet reimbursable construction costs allocated to
9 irrigation as defined in section 4 (b) shall not exceed
10 \$2,000,000 for dams and reservoirs in any one project, and

1 that expenditures from appropriations made directly pur-
2 suant to the authority contained in section 12 (1) to meet
3 costs allocated to flood control by the Secretary after con-
4 sultation with the Chief of Engineers, War Department, shall
5 not exceed \$500,000 on any one project."

6 SEC. 2. Subparagraph (vii) of subsection 3 (a) of the
7 Act is hereby amended to read as follows:

8 "(vii) The part of the estimated cost which can prop-
9 erly be allocated to flood control as recommended by the
10 Secretary after consultation with the Chief of Engineers,
11 War Department."

12 SEC. 3. Subsection 3 (b) of the Act is hereby amended
13 to read as follows:

14 "(b) No actual construction of the physical features of
15 a project shall be undertaken unless and until (1) the Secre-
16 tary has found that lands, or interests in lands, deemed neces-
17 sary for the construction and operation of the major features
18 of the project have been secured, or sufficient progress made
19 in their procurement to indicate the probability that all these
20 lands or interests in lands can be secured, with titles and at
21 prices satisfactory to him; and (2) the Secretary has found
22 (i) that water rights adequate for the purposes of the project
23 have been acquired with titles and at prices satisfactory to
24 him, or that such water rights have been initiated and in his
25 judgment can be perfected in conformity with State law and

1 any applicable interstate agreements and in a manner satis-
2 factory to him; and (ii) that such water rights can be
3 utilized for the purposes of the project in conformity with
4 State law and any applicable interstate agreements and in a
5 manner satisfactory to him.”

6 SEC. 4. Section 3 of the Act is hereby amended by the
7 addition of the following subsection:

8 “(c) Any part of a project hereunder may be designated
9 as a division of the project by the Secretary if he, after con-
10 sultation with the Secretary of Agriculture, deems this desir-
11 able for orderly and efficient construction or administration.
12 The term ‘project’, as used in subsection 3 (b) and section
13 4, shall be deemed to mean also ‘division of a project’, desig-
14 nated as provided in this subsection. Any project authorized
15 for construction from appropriations under the head ‘Water
16 Conservation and Utility Projects’ in the Interior Depart-
17 ment Appropriation Act, 1940 (53 Stat. 685), hereinafter
18 called the 1940 water conservation appropriation, may be
19 designated by the Secretary, upon agreement with the Secre-
20 tary of Agriculture, a project under this Act and shall there-
21 upon be subject to all the provisions and requirements thereof,
22 except those of subsections 3 (a) and 3 (b).”

23 SEC. 5. Section 4 of the Act is hereby amended by the
24 addition of the following subsection:

25 “(d) For each project, on which construction is com-

1 menced or continued under this subsection, appropriations
2 heretofore or hereafter made pursuant to section 12 and the
3 unexpended balance of the 1940 water-conservation appro-
4 priation, in addition to being available for other authorized
5 objects of expenditure, shall be available for expenditure,
6 by the agency to which available, in lieu of the 'services,
7 labor, materials, or other property, including money,' author-
8 ized to be utilized under section 2 and subsection 5 (b). All
9 expenditures on each such project may be excluded (1)
10 from the project construction costs to the extent the Secre-
11 tary finds necessary to keep the reimbursable costs within
12 the findings made under subsections 3 (a) (iv), 3 (a) (v),
13 and 3 (a) (vi), and (2) from the costs that but for this
14 subsection would be required to be returned under section 5,
15 to the extent deemed necessary by the Secretary of Agri-
16 culture for the successful prosecution of the project; and as
17 to each such project the limitations on expenditures provided
18 in sections 1 and 9 shall be inoperative. Appropriations
19 made pursuant to section 12 shall be available for expendi-
20 tures for continuation of construction on any project hereto-
21 fore undertaken under the 1940 water-conservation appro-
22 priation, and such expenditures and those from the 1940
23 water-conservation appropriation may be excluded from the
24 costs of any such project in determining the amounts required

1 to be reimbursed, to the extent the Secretary and the Secre-
2 tary of Agriculture jointly determine is necessary to keep
3 reimbursable costs within the ability of the water users to
4 repay. No project may be initiated for construction or, if
5 heretofore authorized, continued under this subsection unless
6 the Secretary, following consultation with the Secretary of
7 Agriculture, finds that the proposed construction under this
8 subsection is justifiable as an aid in the production of needed
9 agricultural products and the President approves said finding.
10 The utilization of services or labor of prisoners of war under
11 section 2 is authorized, subject to the approval of, and regu-
12 lations by, the War Department or other Federal agency
13 having control of said prisoners. From and after the date
14 six months after the cessation of hostilities in the present war
15 as determined by proclamation of the President or concurrent
16 resolution of the Congress, this subsection shall no longer be
17 of any force or effect except as to projects on which con-
18 struction has been initiated or continued under this subsection
19 prior to said date.”

20 SEC. 6. Section 5 of the Act is hereby amended by the
21 addition of the following subsection:

22 “(c) Where the aggregate amount involved does not
23 exceed \$300, the provisions of section 3709 of the Revised
24 Statutes (41 U. S. C. 5) shall not apply to any purchase or

1 service authorized for the Department of Agriculture under
2 this Act or under the 1940 water-conservation appro-
3 priation.”



78TH CONGRESS
1ST Session

H. R. 3019

A BILL

To amend the Act of August 11, 1939 (53 Stat. 1418), as amended by the Act of October 14, 1940 (54 Stat. 1119), relating to water conservation and utilization projects.

By Mr. WHITE

JUNE 22, 1943

Referred to the Committee on Irrigation and
Reclamation

78TH CONGRESS
1ST SESSION

S. 1252

IN THE SENATE OF THE UNITED STATES

JUNE 22 (legislative day, MAY 24), 1943

Mr. McCARRAN (for himself and Mr. BUTLER) introduced the following bill; which was read twice and referred to the Committee on Irrigation and Reclamation

A BILL

To amend the Act of August 11, 1939 (53 Stat. 1418), as amended by the Act of October 14, 1940 (54 Stat. 119), relating to water conservation and utilization projects.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled.*
3 That the last proviso of section 1 of the Act of August 11,
4 1939 (53 Stat. 1418), as amended (hereinafter referred to
5 as the Act), is hereby amended to read as follows: "*And*
6 *provided further, That expenditures from appropriations*
7 *made directly pursuant to the authority contained in section*
8 12 (1) to meet reimbursable construction costs allocated to
9 irrigation as defined in section 4 (b) shall not exceed
10 \$2,000,000 for dams and reservoirs in any one project, and

1 that expenditures from appropriations made directly pursuant
2 to the authority contained in section 12 (1) to meet costs
3 allocated to flood control by the Secretary after consultation
4 with the Chief of Engineers, War Department, shall not
5 exceed \$500,000 on any one project."

6 SEC. 2. Subparagraph (vii) of subsection 3 (a) of the
7 Act is hereby amended to read as follows:

8 "(vii) The part of the estimated cost which can prop-
9 erly be allocated to flood control as recommended by the
10 Secretary after consultation with the Chief of Engineers,
11 War Department."

12 SEC. 3. Subsection 3 (b) of the Act is hereby amended
13 to read as follows:

14 "(b) No actual construction of the physical features
15 of a project shall be undertaken unless and until (1) the
16 Secretary has found that lands, or interests in lands, deemed
17 necessary for the construction and operation of the major
18 features of the projects have been secured, or sufficient
19 progress made in their procurement to indicate the probabil-
20 ity that all these lands or interests in lands can be secured,
21 with titles and at prices satisfactory to him; and (2) the
22 Secretary has found (i) that water rights adequate for the
23 purposes of the project have been acquired with titles and
24 at prices satisfactory to him, or that such water rights have
25 been initiated and in his judgment can be perfected in con-

1 formity with State law and any applicable interstate agree-
2 ments and in a manner satisfactory to him; and (ii) that
3 such water rights can be utilized for the purposes of the
4 project in conformity with State law and any applicable
5 interstate agreements and in a manner satisfactory to him.”

6 SEC. 4. Section 3 of the Act is hereby amended by the
7 addition of the following subsection:

8 “(c) Any part of a project hereunder may be desig-
9 nated as a division of the project by the Secretary if he,
10 after consultation with the Secretary of Agriculture, deems
11 this desirable for orderly and efficient construction or adminis-
12 tration. The term ‘project’, as used in subsection 3 (b) and
13 section 4, shall be deemed to mean also ‘division of a proj-
14 ect’, designated as provided in this subsection. Any project
15 authorized for construction from appropriations under the
16 head ‘Water Conservation and Utility Projects’ in the Inte-
17 rior Department Appropriation Act, 1940 (53 Stat. 685),
18 hereinafter called the 1940 water conservation appropriation,
19 may be designated by the Secretary, upon agreement with
20 the Secretary of Agriculture, a project under this Act and
21 shall thereupon be subject to all the provisions and require-
22 ments thereof, except those of subsections 3 (a) and 3 (b).”

23 SEC. 5. Section 4 of the Act is hereby amended by the
24 addition of the following subsection:

25 “(d) For each project, on which construction is com-

1 menced or continued under this subsection, appropriations
2 heretofore or hereafter made pursuant to section 12 and the
3 unexpended balance of the 1940 water conservation appro-
4 priation, in addition to being available for other authorized
5 objects of expenditure, shall be available for expenditure,
6 by the agency to which available, in lieu of the 'services,
7 labor, materials, or other property, including money', author-
8 ized to be utilized under section 2 and subsection 5 (b).
9 All expenditures on each such project may be excluded (1)
10 from the project construction costs to the extent the Secre-
11 tary finds necessary to keep the reimbursable costs within
12 the findings made under subsections 3 (a) (iv), 3 (a) (v),
13 and 3 (a) (vi), and (2) from the costs that but for this
14 subsection would be required to be returned under section
15 5, to the extent deemed necessary by the Secretary of Agri-
16 culture for the successful prosecution of the project; and as
17 to each such project the limitations on expenditures provided
18 in sections 1 and 9 shall be inoperative. Appropriations
19 made pursuant to section 12 shall be available for expendi-
20 tures for continuation of construction on any project
21 heretofore undertaken under the 1940 water conservation
22 appropriation, and such expenditures and those from the
23 1940 water conservation appropriation may be excluded
24 from the costs of any such project in determining the amounts
25 required to be reimbursed, to the extent the Secretary and

1 the Secretary of Agriculture jointly determine is necessary
2 to keep reimbursable costs within the ability of the water
3 users to repay. No project may be initiated for construc-
4 tion or, if heretofore authorized, continued under this sub-
5 section unless the Secretary, following consultation with the
6 Secretary of Agriculture, finds that the proposed construction
7 under this subsection is justifiable as an aid in the produc-
8 tion of needed agricultural products and the President ap-
9 proves said finding. The utilization of services or labor of
10 prisoners of war under section 2 is authorized, subject to the
11 approval of, and regulations by, the War Department or
12 other Federal agency having control of said prisoners. From
13 and after the date six months after the cessation of hostilities
14 in the present war as determined by proclamation of the
15 President or concurrent resolution of the Congress, this sub-
16 section shall no longer be of any force or effect except as
17 to projects on which construction has been initiated or con-
18 tinued under this subsection prior to said date.”

19 SEC. 6. Section 5 of the Act is hereby amended by the
20 addition of the following subsection:

21 “(c) Where the aggregate amount involved does not
22 exceed \$300, the provisions of section 3709 of the Revised
23 Statutes (41 U. S. C. 5) shall not apply to any purchase
24 or service authorized for the Department of Agriculture under
25 this Act or under the 1940 water conservation appropriation.”

78TH CONGRESS
1ST Session

S. 1252

A BILL

To amend the Act of August 11, 1939 (53 Stat. 1418), as amended by the Act of October 14, 1940 (54 Stat. 1119), relating to water conservation and utilization projects.

By Mr. McCARRAN and Mr. BUTLER

JUNE 22 (legislative day, May 24), 1943
Read twice and referred to the Committee on
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WARTIME RECLAMATION ACT AND AMENDMENTS TO GREAT PLAINS ACT

HEARINGS

BEFORE THE

COMMITTEE ON IRRIGATION AND RECLAMATION

HOUSE OF REPRESENTATIVES

SEVENTY-EIGHTH CONGRESS

FIRST SESSION

ON

H. R. 3018

A BILL TO AUTHORIZE WARTIME CONSTRUCTION AND
OPERATION AND MAINTENANCE OF
RECLAMATION PROJECTS

AND

H. R. 3019

A BILL TO AMEND THE ACT OF AUGUST 11, 1939 (53 STAT.
1418), AS AMENDED BY THE ACT OF OCTOBER 14, 1940
(54 STAT. 1119), RELATING TO WATER CONSER-
VATION AND UTILIZATION PROJECTS
(GREAT PLAINS ACT)

JUNE 23, 1943

Printed for the use of the Committee on Irrigation and Reclamation



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COMMITTEE ON IRRIGATION AND RECLAMATION

SEVENTY-EIGHTH CONGRESS

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WARTIME RECLAMATION ACT AND AMENDMENTS TO WATER CONSERVATION AND UTILIZATION ACT (GREAT PLAINS ACT)

WEDNESDAY, JUNE 23, 1943

HOUSE OF REPRESENTATIVES,
COMMITTEE ON IRRIGATION AND RECLAMATION,
Washington, D. C.

The committee met at 10 a. m., Hon. Compton I. White (chairman) presiding.

The CHAIRMAN. The meeting will come to order. The committee has been convened this morning to consider two bills, H. R. 3018, to authorize wartime construction and operation and maintenance of reclamation projects, and H. R. 3019, to amend the act of August 11, 1939, as amended by the act of October 14, 1940, relating to water conservation and utilization projects.

Now, the country today is faced with a rather serious situation. The production of food is generally admitted to be second only to the prosecution of the war. There are many contingencies that may greatly increase or emphasize the need for an extra food supply. It is an almost assured fact that this country is going to have the responsibility of feeding a great many war prisoners, as well as feeding the Army, which is going to be something over 10,000,000 men, and the Navy.

So any legislation is important that can authorize the existing departments, like the Bureau of Reclamation in particular, to complete and carry forward an irrigation construction program that has already been undertaken, to complete the projects that now are under construction, to carry forward the construction program and make land available for the production of food which is particularly needed on the Pacific coast. This is especially true because of the location of the area in relation to hostilities in the Pacific and to extensive industrial developments. The western irrigation States are going to have to carry a larger load in producing food that is required by the Army and the Navy, all our armed forces, the increased civilian population, and the prisoners that we will have the responsibility for.

With that brief statement I will ask the clerk to read a report of Department of the Interior on H. R. 3019.

The CLERK (reading):

DEPARTMENT OF THE INTERIOR,
Washington, June 22, 1943.

MY DEAR MR. WHITE: Reference is made to your letter of June 22, requesting a report by this Department on H. R. 3019, a bill to amend the act of August 11, 1939 (53 Stat. 1418), as amended, relating to water conservation and utilization projects. That act is popularly known as the Wheeler-Case Act.

Mr. O'CONNOR. Mr. Chairman, that refers to the other bill. Does it make any difference if this is taken up first?

Mr. J. KENNARD CHEADLE (Chief Counsel, Bureau of Reclamation). There has not been any request for a report received as to H. R. 3018. However, that bill as introduced is identical with a draft of a bill submitted to Senator Hayden at his request in connection with hearings of the Senate Appropriations Committee. That bill was submitted to Senator Hayden by letter of the Secretary accompanied by an explanatory statement. I do not know whether copies of that are available.

The CHAIRMAN. In other words, the report on this bill is identical with the report on the other? There has been a report already made on the Senate bill, and that is identical with this bill?

Mr. CHEADLE. The Secretary's letter to Senator Hayden is not a report on the bill. But I think it would be accurate to state that an actual report would conform to this letter of the Secretary and the accompanying statement, and consequently I suggest that the committee might insert them in the record in lieu of the Department's report.

The CHAIRMAN. The clerk will proceed with the reading.

The CLERK (reading):

I recommend enactment of this bill.

When first enacted in 1939, and when substantially amended in 1940, the Wheeler-Case Act was designed particularly with a view to utilization on water conservation and utilization projects of labor and services to be supplied by the Work Projects Administration and the Civilian Conservation Corps. With the problem of manpower reversed by the Nation's war requirements, from one in which it was necessary to find useful work projects for the unemployed to the present one in which it is necessary to ration the Nation's limited supply of manpower and materials among war production and activities that support the war program, the construction of these projects was very substantially curtailed.

It is now widely recognized that the Nation needs as great an increase as possible in agricultural production. It is particularly important that the production of food be increased in the Western States where heavy increases in population have occurred due to war production and military developments. Projects constructed under the Wheeler-Case Act could provide a considerable increase in agricultural production in the West.

However, for the water conservation and utilization projects on which construction may be resumed or initiated during the period of the war, and for such projects as are now being constructed with the permission of the War Production Board, there needs to be special legislative provision to take care of the abnormally high costs of the war period and to provide a substitute for the contributed labor and services which no longer can be supplied by the Work Projects Administration or the Civilian Conservation Corps.

Section 5 of the attached draft of bill would make such provision. It would permit the expenditure of appropriated money in lieu of "services, labor, materials, or other property, including money," supplied by the Work Projects Administration or Civilian Conservation Corps. It would not modify the requirements of the existing law—that the water users shall repay to the United States that part of the project costs properly allocable to irrigation which is within their ability to pay, as found by the Secretary of the Interior, and that any municipal or miscellaneous water supply or power features of a project shall be charged with that part of the costs which properly can be allocated to municipal or miscellaneous water supplies or power and probably be returned to the United States in revenues therefrom. The project costs in excess of these reimbursable items would be nonreimbursable, just as under the existing law the costs of services, labor, etc., supplied by the Work Projects Administration or the Civilian Conservation Corps are nonreimbursable to the extent they cannot be included in the amounts found to be reimbursable.

The proposal to expend nonreimbursable moneys in lieu of services, labor, etc., heretofore supplied by the Work Projects Administration and the Civilian Conservation Corps, would be appropriate only if found justifiable as an aid in the production of needed agricultural products. Accordingly, a finding to that effect, approved by the President (following the authorization procedure of the existing

law), would be required before the provisions of section 5 could be invoked. In recognition of the special wartime conditions that make such provisions necessary, section 5 expressly provides that upon the expiration of the present war and 6 months thereafter, that section shall no longer be of any force and effect, except as to such projects on which construction has been initiated or continued under that section during said period.

An additional matter should be noted. It is possible that there may be in this country, in the near future, thousands of prisoners of war captured overseas from the enemies of this Nation. Their labor and services could be utilized in the construction of water conservation and utilization projects, carefully selected for geographical locations removed from vital areas. To some extent it might be practicable to use their labor and services in farming operations. It is not, of course, for me to determine what use should be made of prisoners of war who may be brought to this country. However, I think it is proper for me to suggest that we prepare to utilize the labor and services of prisoners of war on such projects if found to be appropriate by the War Department or whatever Federal agency has control of the prisoners. Section 5 would make the special war-period provisions necessary for construction of such projects in these times, and the same section also would expressly authorize the utilization of services or labor of prisoners of war on such projects, subject to the approval of, and regulations by, the War Department or other Federal agency having control of said prisoners.

The other five sections of the enclosed draft would provide desirable permanent amendments of the Wheeler-Case Act.

Section 1 would increase from \$1,000,000 to \$2,000,000 the amount of money appropriated pursuant to the act, which may be used to meet reimbursable construction costs allocated to irrigation. This is desirable in view of rising prices and experience gained since 1940 in determining the size of projects that practically can be undertaken pursuant to the act.

Section 2 is a perfecting amendment, which would conform a subparagraph of section 3 of the existing law to the amendment of section 1 made by the act of March 7, 1942 (Public Law No. 488, 77th Cong., 2d sess.), dealing with flood-control allocations on these projects.

Section 3 would permit a part of a project to be designated as a "division of the project" and undertaken separately if such procedure is desirable for orderly and efficient construction or administration.

Section 4 would permit construction of a project to be commenced when satisfactory progress has been made in securing of the lands or interests in lands deemed necessary for the construction and operation of the major features of the project. The existing law requires that such lands or interests in lands must have been secured before such construction may be commenced. Experience gained in the last 2 years has shown that the existing requirement is so rigid that it occasions uneconomical delays in the work on a project, once it has been authorized for undertaking.

Section 6 would authorize the Department of Agriculture to make open-market purchases up to \$300 in connection with its work on these projects. The Department of Agriculture at present has a limit of \$50 on such purchases and truly needs the same authority as the Bureau of Reclamation has under existing law (sec. 13 of the Reclamation Project Act of 1939, 53 Stat. 1187, and sec. 10 of the Wheeler-Case Act).

It should also be noted that in sections 4 and 5 of the attached draft there are provisions for covering the so-called "\$5,000,000 item" projects under the provisions of the Wheeler-Case Act, and for handling such projects under the special war-period provisions of section 5. That "\$5,000,000 item" appears under the heading "Water conservation and utility projects" in the Interior Department Appropriation Act, 1940 (53 Stat. 685, 719). Without substantive authority, it appropriated money for the construction of projects like those subsequently authorized by the Wheeler-Case Act. For orderly administration and accounting, there should be authority for handling these "\$5,000,000 item" projects in accordance with pertinent provisions of the Wheeler-Case Act.

I have not been able to obtain the views of the Bureau of the Budget on the proposed legislation prior to making this report for consideration at the hearing on the bill, which I understand you plan to hold this month. Consequently, I am unable to advise whether the enactment of the bill would be in accordance with the program of the President.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

Mr. MURDOCK. Mr. Chairman, I understand that both of these proposed bills are war measures, proposed to make such changes in our general reclamation procedure as would be necessary for full utilization of the reclamation department in increased production.

The CHAIRMAN. The gentleman is correct. As the report is made on 3019, which is to revise standard provisions of the Wheeler-Case Act, we will consider that bill first.

We have with us Mr. Harry W. Bashore, Mr. Bashore, would you care to make a statement on this?

STATEMENT OF HARRY W. BASHORE, ACTING COMMISSIONER OF THE BUREAU OF RECLAMATION

Mr. BASHORE. I am Acting Commissioner of the Bureau of Reclamation in the absence of John C. Page, Commissioner, who is taking an extended leave on account of his health.

I expect to be very brief on this, because I know that your time is valuable. I will make a short statement. Then, with your permission, Mr. Cheadle, our chief counsel, will take up the bill and discuss it in detail.

The CHAIRMAN. Mr. Bashore, this committee has a bill coming before the Rules Committee this morning, and I arranged to be there. So I am going to ask Mr. Murdock to act as chairman. If you will take the chair, Mr. Murdock.

(From this point on Mr. Murdock presided as acting chairman.)

Mr. BASHORE. Last October the War Production Board issued stop orders on all of our projects with the exception of some more important power developments. The Secretary of the Interior protested those stop orders, and hearings were granted on projects one by one, and we were allowed to proceed in a limited way on certain irrigation projects. That limitation permitted us to do only those things which were necessary for safety and protection of the work under construction. It practically stopped all of our irrigation work and with two or three exceptions has taken no action toward removing the outstanding stop-work orders.

Later, with the appointment of a War Food Administrator, Mr. Chester Davis, our projects were given, I might say, perhaps more serious consideration by the agencies which have responsibility for the war food program. He has sponsored and is supporting before the War Production Board the resumption of work on a number of irrigation projects in the Reclamation program because of their importance in the food program. He has also recommended to the Director of the Budget that funds be provided for construction of Reclamation projects.

HOUSE APPROPRIATION COMMITTEE RECOMMENDATIONS

The House subcommittee on Interior Department appropriations in its report to the House made the following statement under the heading "Recommendation for Removal of Stop-Work Orders and Acceleration of Reclamation Food Production Program."

The committee is deeply impressed by the frank statement of the Assistant Secretary and with the testimony of many others who are in agreement with him, and it urgently recommends, in view of Mr. Hill's testimony as to the probability of a food shortage, that the War Production Board promptly investigate and

seriously consider allowing priorities which will permit resumption of work on some 23 reclamation projects which have been in a deferred status since last October. While some justification may have existed for the issuance of stop orders in October 1942, when the food shortage was not so apparent, the committee is strongly of the opinion that the time for optimism and complacency on the part of responsible officials has passed. These stop orders have involved a serious delay in the development of 877,500 acres of new land and 2,085,000 acres of existing land for which a supplemental water supply is needed. The committee, therefore, reiterates its recommendation that early consideration be given to the removal of stop orders against the projects under discussion. In view of the fact that we must feed our own civilian population, our armed forces, and are now being called upon to shoulder the major portion of the burden of feeding our allies, the committee further urges that consideration be given to the desirability of undertaking a program of new and supplemental projects referred to by the Commissioner of Reclamation in his testimony. It is the understanding of the committee that these latter projects, as well as some of those against which stop orders were issued, can be constructed with the use of a minimum of steel and other critical materials.

SENATE APPROPRIATIONS COMMITTEE RECOMMENDATIONS

The Senate committee considering the Interior Department appropriations reported as follows:

The committee has recommended the inclusion of appropriations to provide an adequate supply of water for irrigation of additional areas of arid lands. This is in response to a recommendation made by Mr. Chester Davis, War Food Administrator, in a letter to the Director of the Bureau of the Budget of June 7, 1943, which reads, in part, as follows:

"It is apparent that every effort must be made to increase agricultural production this year and for 1944, 1945, and 1946, since the demand for food is inevitably going to increase at a greater rate than our ability to produce it.

"It should also be noted that food is in a category by itself insofar as the war and post-war situation is concerned. The minute the shooting stops, production of direct military items, such as ships, tanks, guns, airplanes, etc., can be suspended, but no such action can be taken with food. Unquestionably, the demand for it will be even greater for at least 2 years after the war has been won. The importance of the continuing post-war demand for food should not be minimized because of our ability to supply food to freed countries and even to the civilian populations of enemy countries in the immediate post-war period will have a vital bearing upon the chances for a lasting peace. It is essential to press into production every acre of land in the Nation that can safely be put to crop. Our present food-production resources in established areas already are operating at capacity; therefore, the only means of increasing the output would be through development which will permit more intensive cultivation. On the basis of present utilization of our land, what we produce this year will be close to the ceiling of our potential agricultural production, but it will not supply us with an exportable surplus large enough to satisfy all the overseas claims which we have a moral obligation to meet.

"The 18 Western States afford many excellent opportunities for expanding production of the foods in greatest need, such as dry beans, dry peas, potatoes, and dairy products. Through the development of additional irrigation acreage, production of these foods can be increased in certain and stable amounts without in any way sacrificing the output of other essential crops and livestock products.

"The War Food Administration currently is engaged in an analysis of potential irrigation developments. As fast as the analysis is completed of any project which in our judgment merits careful consideration from the standpoint of adding to our production capacity for essential war and post-war foods, it is submitted to the War Production Board with our recommendations. The material requirements for the construction of the projects on a wartime basis have been furnished the War Production Board by the Bureau of Reclamation. Chairman Donald Nelson has given me assurance that each project recommended for construction by the War Food Administration will be given prompt and serious consideration by the War Production Board."

The House Committee Report 455 accompanying H. R. 2719, which is emphatically concurred in by this committee, urged the War Production Board to—"promptly reinvestigate and seriously consider allowing priorities which will permit resumption of work on some 23 reclamation projects which have been in a deferred status since last October."

Without regard for the food crisis and apparently without investigation or attempt to familiarize itself with the need for increased food production, and evidently differentiating between war production and war-food production, the War Production Board in October 1942 ordered practically all irrigation construction halted. Since that time, except in a few instances, the War Production Board has closed its eyes to the facts and has failed to modify stop-construction orders and permit work to continue on irrigation construction that will supply vitally needed war foods.

Time is of the essence in the construction of irrigation facilities for war-food production. If storage facilities are not completed to catch the spring run-offs, or if distribution facilities are not completed by the time the planting season starts, an entire year's production of food is lost, food which General Marshall, Army Chief of Staff, has described as "most essential" of war materials. It is also important on the home front. To this end the committee recommends that the Bureau of Reclamation use funds appropriated to prosecute with all the vigor possible the construction of irrigation facilities with minimum of critical materials.

In furthering various construction for food production, the Bureau of Reclamation should plan the work so as to be of the greatest possible permanent benefit to the projects, the communities in which they are located, and to the country. The Bureau has the responsibility for utilizing for food production public lands which can be irrigated quickly, and which will offer settlement opportunities at the close of the war for returning servicemen and emergency industrial workers on such projects as the Gila (Arizona), the All-American Canal (California), and the Riverton and Shoshone, Heart Mountain division (Wyoming).

RECLAMATION CONSTRUCTION FUNDS INCREASED BY SENATE

The appropriation bill for the Interior Department is under consideration by House and Senate conferees I believe, at this time. The Senate committee recommended some very substantial increases in our appropriation over that provided by the House committee. As a result the Bureau of Reclamation will be on the spot if the Senate provisions are upheld, because we will be expected to get results, provided that the War Production Board lifts its stop orders and grants priorities based on the recommendations of the War Food Administrator.

That would appear to be a big step forward. However, the Bureau of Reclamation is an old-line agency and we operate under laws which Congress has laid down for peacetime operation. For that reason we are of the opinion that we must have legislation which will permit us to proceed during the war period more rapidly and, that we must be relieved of certain restrictions if we are to get results.

We believe that the continuation of construction of these reclamation projects is extremely important to the war food program. It will require time to provide water for the land. And in this connection, of course, I call attention to the time we have lost from October 1942 to the present.

On a number of these projects it is a matter of providing supplemental water only. In these instances, the farmers are there, the equipment is there to farm with, and the point is that more crops can be produced with additional water. Such projects as the Colorado-Big Thompson will provide supplemental water to highly productive areas. These areas produce the kind of food that the authorities say is needed in this war, especially dried beans, potatoes, sugar beets, alfalfa, and other forage for livestock.

Mr. MURDOCK. Mr. Bashore; then you come in support of these bills, H. R. 3018 and 3019?

Mr. BASHORE. Yes; Mr. Chairman. We come in support of both of these bills.

It may be during the course of your deliberations that you may find it desirable to combine the two bills into one and have one measure. It might be a little confusing to have the two bills before you that refer to irrigation legislation. However, I don't want to stress that too much at this time

EXISTING STATUTES PREVENT ACCELERATING CONSTRUCTION

Mr. MURDOCK. I understood from what you have just said, then, that since the Bureau of Reclamation is an old-line agency, running back to 1902, it is not equipped now with the existing statutes for hasty or wartime action such as the times require. That is the occasion, then, for such changes as are proposed in the existing law by the legislation before us.

Mr. BASHORE. That is correct, Mr. Chairman. We desire to make all speed possible and to direct our work more efficiently. We are always conscious of the law and we follow the law, but in doing so, under war conditions, we cannot make the speed or reach the efficiency that is necessary if we are to produce results.

Mr. MURDOCK. I think it is plainly evident to all of us, as you indicate, that the picture has changed materially since last autumn. There is a relaxation somewhat in the matter of critical materials, I believe. Certainly there is an augmentation of the need for food, and people who did not take the food problem seriously last October are waking up to that fact now. Today we understand better the seriousness of food shortage.

I might say to the Acting Commissioner that most of the members of this committee present are westerners, and it is like sending flowers to Pasadena to try to convince us of the need of reclamation and its possibilities in food production, especially on the Pacific coast, where the great problem, as the chairman indicated in the beginning, will be, I think, apparent in the immediate future.

Have you completed your statement?

Mr. BASHORE. I believe that completes my statement, Mr. Chairman. Mr. Cheadle can go into the bill and these items, if you permit him. I would like to submit for the record the full text of the letter from the War Food Administrator to the Director of the Budget, which is as follows:

WAR FOOD ADMINISTRATION,
Washington, D. C., June 7, 1943.

Hon. HAROLD D. SMITH,
Director, Bureau of the Budget.

DEAR MR. SMITH: It now appears probable that food supplies available for civilians in 1943, after meeting the requirements for United States armed forces and for shipments under the lend-lease program, will have a caloric content of somewhere between 3,100 and 3,200 calories per person per day. This compares with the minimum amount necessary to maintain the health and efficiency of the civilian population recommended by the Food and Nutrition Board of about 2,800 calories and with the British consumption of between 3,000 and 3,100 calories.

Because of the size and complexity of the United States, it is impossible to assure as uniform distribution of our available food supplies as does the United Kingdom.

Consequently, it is almost certain that a considerable segment of the domestic population will be unable to obtain the average amounts of food available for civilians or even the minimum amount recommended by the Food and Nutrition Board.

There will be increased demands for food shipments under the lend-lease program. Such shipments to the United Kingdom have become fairly well stabilized but shipments to Russia and perhaps other countries will be increased. Russia has lost large percentages of its most productive agricultural land to the enemy, and Russian civilians, particularly, are alarmingly undernourished. While no over-all figures are available, reports indicate that in Moscow even workers in the heaviest industries are getting nowhere near 2,800 calories per person per day and that many other groups in the civilian economy are getting as little as two-thirds of the minimum as established by the Food and Nutrition Board.

Certain food products to Russia take precedence for shipping space over everything else and it seems inevitable that increased food shipments to Russia will have to be made if the civilian population is to be maintained sufficiently to provide the Russian armed forces with the implements of war.

Unless the United Nations suffer unexpected military reverses during the next few months, it is certain that there will be increased demands on us for food for feeding the civilian populations of reoccupied countries. At the present time, only relatively small quantities of food are being used for this purpose. As the area reoccupied increases, the drain will become more and more significant and will be promptly reflected in reduced supplies available for domestic civilian consumption, since, with few exceptions, there are no stockpiles of food either here or abroad which can be drawn upon.

It is apparent that every effort must be made to increase agricultural production this year and for 1944, 1945, and 1946, since the demand for food is inevitably going to increase at a greater rate than our ability to produce it.

It should also be noted that food is in a category by itself insofar as the war and post-war situation is concerned. The minute the shooting stops, production of direct military items, such as ships, tanks, guns, airplanes, etc., can be suspended, but no such action can be taken with food. Unquestionably, the demand for it will be even greater for at least 2 years after the war has been won. The importance of the continuing post-war demand for food should not be minimized because our ability to supply food to free countries and even to the civilian population of enemy countries in the immediate post-war period will have a vital bearing upon the chances for a lasting peace. It is essential to press into production every acre of land in the Nation that can safely be put to crop. Our present food-production resources in established areas already are operating at capacity; therefore, the only means of increasing the output would be through development which will permit more intensive cultivation. On the basis of present utilization of our land, what we produce this year will be close to the ceiling of our potential agricultural production, but it will not supply us with an exportable surplus large enough to satisfy all the overseas claims which we have a moral obligation to meet.

The 18 Western States afford many excellent opportunities for expanding production of the foods in greatest need, such as dry beans, dry peas, potatoes, and dairy products. Through the development of additional irrigation acreage, production of these foods can be increased in certain and stable amounts without in any way sacrificing the output of other essential crops and livestock products.

The War Food Administration currently is engaged in an analysis of potential irrigation developments. As fast as the analysis is completed of any project which in our judgment merits careful consideration from the standpoint of adding to our production capacity for essential war and post-war foods, it is submitted to the War Production Board with our recommendations. The material requirements for the construction of the projects on a wartime basis have been furnished the War Production Board by the Bureau of Reclamation. Chairman Donald Nelson has given me assurance that each project recommended for construction by the War Food Administration will be given prompt and serious consideration by the War Production Board.

The prompt development of every project which has merit is so important that I respectfully ask your consideration for inclusion in the budget authorization of the irrigation projects submitted by the Bureau of Reclamation, even though you may wish to limit actual expenditures to those projects that are given clearance by the War Production Board upon the recommendation of the War Food Administration.

Sincerely yours,

CHESTER C. DAVIS, *Administrator.*

Mr. MURDOCK. Were there questions that any member wished to ask?

Mr. LEMKE. I am in full accord with what the Bureau of Reclamation has done. But I also know that we have constructed a lot of big projects and forgotten the little fellows. I am wondering if it is necessary to increase the limit on the cost of dams and reservoirs in any one project from one million to two million to complete the projects that have been started of a larger nature, or is that just taking the money that will be made available and forget about the little fellow—and I think that he is the most important—not just give it to some big project, because we all want to do something big?

Mr. BASHORE. I think, Congressman, that we all want to do everything that we can do at the present time to increase production; and one of these bills refers specifically to the small projects. That is the one which seeks to amend the Wheeler-Case law so that the number of small projects can be increased. You must realize, of course, that the costs have gone up during this period; and that is the reason why we ask for an increase of that limitation from one million to two million.

Mr. LEMKE. Wouldn't your cost be practically doubled?

Mr. BASHORE. It would not be quite that much. About 50 percent. That is all I have to ask. I am talking on H. R. 3019, not 3018.

Mr. MURDOCK. That is the one that pertains to the Wheeler-Case Act?

Mr. BASHORE. Yes, sir.

Mr. GROSS. If this was granted, of course, it would not benefit the 1943 food supply in the war?

Mr. BASHORE. That is correct.

Mr. GROSS. To what extent would it be possible for it to contribute to the 1944 supply?

Mr. BASHORE. In some cases it can contribute very materially to the 1944 supply. Of course, irrigation construction takes time, and we have lost much time already. It depends on when we are permitted to get started as to what we can accomplish and when the results will be available.

AVAILABILITY OF LABOR FORCES

Mr. GROSS. Will there be labor available to carry the projects on or would they draw their labor from men who are now contributing toward the food supply and more severely handicap us from that angle?

Mr. BASHORE. Of course, the labor question is a very difficult one to answer. I will say this: That people are going to work to eat. There is no great surplus of labor in any of these places. I think there may be difficulty in securing labor. But I don't believe that we should be deterred by the possibility of labor difficulties.

Mr. GROSS. I might make myself clear on that. We have in Pennsylvania a big Army supply depot that needs 7,000 civilian employees. They have today 4,700. They have drained an area about 30 miles that was invaded from the outside by other industries, and still they want 3,500 more. They have drained that area by offering more money to the extent that in that heavy food-producing area there is nobody to pick cherries and do the canning. There

are about a dozen of the biggest canneries in the country in that area—not a dozen, but seven—and they have just drained it to the point where there is going to be tremendous spoilage of food there this year.

I am wondering whether that indicates what would happen here. The help that they would get would just come from the farms and the producing areas, and would probably cause a greater shortage of food than they would supply in 1944 or 1945. That is the thing that we are up against. They are concerned about that in the Army. We had a meeting with the Army officials yesterday. They all realize that it is a very difficult situation.

Mr. ROCKWELL. May I ask a question? I think that we have part of the answer to that, Mr. Gross, in the fact that, as has been testified before this committee, before these projects can continue, they have to be O. K.'d by this committee as well as by the Army engineers and different ones.

Mr. BASHORE. Oh, yes. The War Production Board has to lift its stop-order on these projects.

Mr. ROCKWELL. One of the particular questions that they ask is that one of yours. They will not grant a project unless it can be shown that they have the available labor to carry it on.

For instance, we have two that we are interested in in Colorado. One was to finish the tunnel at the Colorado-Big Thompson. The machinery was there. The construction companies were there. The crew was there ready to finish it. There was no problem there.

Another project was one where there was going to be a camp for conscientious objectors. They would not even consider it unless we could show that there was available labor.

So that shows that on any of these projects we do not have to have any fear about the labor supply, because they won't grant these projects unless they have a labor supply available to carry it on.

Mr. GROSS. So far as available labor is concerned, we have a project which I can talk about and of which I know something. The Army contends that these civilians are employed there, because the people have asked to work at the jobs that are open to them. Yet I believe they are getting them because they are paying more money, and they are drawing them from the essential industries and the food industry. They are just making that country stand high and dry, and the result is going to be that thousands of carloads of food are going to be spoiled there this year unless something is done and done immediately.

Mr. MURDOCK. I think that the further answer to your question, in addition to the one that Mr. Rockwell has given, is also this: In your community, as well as in six or seven other communities, it is a matter of harvesting the food; the fruits that grow there.

Mr. GROSS. They have also drawn them out of other industries. There is one factory there that had 1,100 6 months ago, and now they have 500. They are going to have to close up because they cannot continue in business with so few workers.

Mr. MURDOCK. But in some of these irrigation projects that are almost completed, where only the last mile remains to be built, in those cases it is a different labor problem. It is a labor problem, but it is partly a power problem also. For instance, completing that

tunnel is a matter of machinery as well as men. Or in the clearing of some waste land it is more a matter of machines than men, or just as much so.

In your case perhaps women and children will have to be called on to do the harvesting of the fruits. But in many of these projects which are almost completed, where they are just ready to put the finishing touches on, where water can be turned on to desert land, you can get a maximum of production with a minimum outlay of critical materials, machinery and labor.

Mr. BASHORE. Mr. Chairman, I would like to add that in many of these projects we can work during the winter, during the noncrop season. For instance, on the Continental Divide tunnel on the Colorado-Big Thompson project you could work in the wintertime just as well as in the summer.

Another thing that your statement causes me to wonder about is as to the amount of labor turn-over in these war industries in your community. Where you have a big labor turn-over, it indicates that people are moving around. Maybe after a while they will have to stop them from moving around if the food situation becomes such that it becomes necessary in order to eat.

Mr. MILLER. I wondered about what the prospects would be of the War Production Board or maybe the Army Board reviewing critical materials and in lifting the freezing order on materials.

Mr. BASHORE. I don't know that I can answer that question. I have no knowledge of what they may do or may not do. But if it should be lifted, we want to be in a position to move.

WAR FOOD ADMINISTRATION RECOMMENDS PROJECTS

Mr. MILLER. Another question is this: Will the Reclamation Bureau or the Interior Department make any recommendations to the War Food Administration as to the feasibility of these 43 projects that are now on file down there as to which ones might be developed to advantage?

Mr. BASHORE. Oh, yes. Certainly. We have presented general information on all of the projects where the engineering feasibility has been determined and specific information on 20 of these.

Mr. MILLER. Why haven't you done it?

Mr. BASHORE. It has been done. It has been done right along. We are presenting information to the War Food Administrator.

Mr. MILLER. I have a letter from the Department saying that they made no recommendations to the War Food Administration. I just got it yesterday.

Mr. BASHORE. We submit our projects as rapidly as we can get the information together, to the War Food Administrator.

Mr. MILLER. There are some 43, I believe, that were recommended to the War Food Administration. They had a conference with Mr. Borden, and these 43 came over with no recommendations as to the feasibility.

Mr. BASHORE. I see the point you make, Congressman Miller. We submit the projects to the War Food Administrator with all the relative data. We do not recommend one project over another as to its food production potentialities. That is the prerogative of the

War Food Administration. We included 43 projects in the program Commissioner Page submitted to the Secretary and to Senator Hayden, but for an immediate program we are now proposing to resume work on 20 projects, including Mirage Flats as soon as clearance is given by the War Production Board.

Mr. MILLER. That is what I am asking you. Why not? You have all the information.

Mr. BASHORE. In our opinion it is the function of the War Food Administrator to determine which of these projects are the more important in the food program. There are a lot of factors, I imagine, that he has to consider, such as transportation, the location of the project as to population centers, and the labor supply, and many other things. Therefore we do not recommend one project over another. We submit the data on our projects and leave it to the War Food Administrator to determine which, if any, of the projects he desires to recommend to the War Production Board.

Mr. MILLER. Then it is just another case of passing the buck.

Mr. BASHORE. No, sir. I have explained that the Bureau presents the facts as to what can be done on each project, but is not permitted to give preference to one over another as to priority in the food program.

Mr. MILLER. I think your Department ought to have enough guts to say, "Well, this project is to be favored over the others," because you spend years in developing various angles as to the projects.

You go before the War Food Administration, who knows nothing about the information that you people have. And why you shouldn't do that—it is just passing the buck.

Mr. GROSS. If it is determined on the basis that you have outlined, then this might happen: They might find the greatest amount of labor in a section of the country where the development would take much longer to complete and which, after all, would not make the contribution to the war that you are looking for. If it is to be based on labor, for instance, available, it might be on a new project out here somewhere that has just been started, that would take a long time to develop. It would not be on that job maybe where in 6 months something could be done, because of no labor available. The question of the gentleman from Nebraska is very opportune.

Mr. ROBINSON. Doesn't this answer the question, that the very reason that the Department does not recommend any one project is the fact that maybe there are conditions which this Department is not informed about, such as this labor situation?

Mr. GROSS. If they are going to develop these projects and get food as soon as they can, they should have complete information about the availability of labor.

Mr. ROBINSON. Maybe I have not made myself clear. The overall picture has got to be taken into consideration by the War Production Board. All these projects are recommended, as I understand it, as feasible and proper projects by the Bureau of Reclamation. But they don't take into consideration in the feasibility of their projects, the question of strategic materials, of labor, and other things that might be taken into consideration, due to the war, by the War Production Board.

Mr. MILLER. I will grant you that. But they should say that up to that point here are projects that are feasible. Now, as to the labor and critical materials and the center of population, how near it is to the war production camps, and so forth, you take and decide that from your standpoint. But up to that point they should say, "Here are the projects that are feasible. We have made years of study. We recommend them up to that point."

Mr. BASHORE. We do that. The Bureau of Reclamation has made reports on the feasibility under each one of these projects in the first place. Furthermore, Congress has said, "We will provide the money for you to go ahead." Now, it is not a question of recommending the project. The project is already actively under way, and the War Production Board has stopped it.

Mr. MILLER. But at one time you did recommend projects. You used some pressure to get certain projects into operation.

I am having in mind now one in Nebraska. I am talking about this project at Mirage Flats. They set that up as a pattern for other projects. It was being completed. You sent them down to the War Food Administration, and they said, "Oh, heck, that is no good." They put it clear down at the bottom of the list, where it was formerly among the first four or five on the irrigation projects. They did not take into consideration at all that this project was almost completed and that the steel was already there for the completion of it and that 15,000 acres were to be put into production. They set all of that to one side and said, "No. We are not going to recommend that project." For some reason that is maybe known to them they did that. And yet you folks sit here and let them spend money on dams that are not necessary. But that project down there was No. 5 in your Department as being a pattern for others. But it goes down there to them and they bury it. Give me an answer to that one.

Mr. BASHORE. I cannot give you any answer to that, because we have no control over the War Production Board or the War Food Administration.

Mr. MILLER. That is because your Department didn't recommend the projects as to their feasibility.

Mr. BASHORE. I cannot agree with you at all, because we have recommended them as to their feasibility.

Mr. MILLER. Maybe down there they lost your letter.

Mr. BASHORE. That was one project that had been approved under the Wheeler-Case Act. An allocation had been made to that project by the President. There is no question about its feasibility. We had all said that it was feasible. But if there are some projects that should take precedence over some other projects in some of the States, we think that that is a function of the War Food Administration.

Mr. MILLER. I would say to the gentleman that I think that there is a possibility in a lot of these new ones, these recent projects, because I think that in spite of this bungling we are going to win the war.

Mr. MURDOCK. Are there any more questions? The Chair recognizes the gentleman from Wyoming.

NONREIMBURSABLE FUNDS NEEDED TO MEET HIGHER COSTS

Mr. BARRETT. I would like to ask Mr. Bashore a question. The first two or three paragraphs indicate that because of the abnormally high costs and the fact that contributed labor is not available, the bill would permit the expenditure of appropriated money in lieu of those items. Then it further provides that the existing law is not modified and that the water users shall repay to the United States that part of those costs that may be allocated by the Secretary. Now, it seems to me that as far as these high costs occasioned by the war are concerned and the fact that food is so important in the war production, those amounts ought to be charged to the cost of the war instead of assessing those costs against the water users. I would like to have you explain that for us.

Mr. BASHORE. That is why we are here with this legislation. That is just the case of Dr. Miller's Mirage Flats project. That was set up and an allocation was made to pay that out of a lump-sum appropriation on the basis that the water users should repay a certain amount. But it was determined at that time that the additional cost of that project would be taken care of by C. C. C. labor and by W. P. A. labor.

Now those agencies have passed out of the picture. Where there is a project partly completed, probably 50 percent completed, we have no way of getting any considerable nonreimbursable funds from any agency like the W. P. A. or the C. C. C. So what are we going to do about that? Therefore we come before this committee and propose legislation which will enable us to complete these projects. We cannot expect the people who are going to use the water to pay any more than has been allocated to them and which they have agreed to pay.

Mr. BARRETT. I was wondering whether the water users will be required under this bill to pay for these additional costs.

Mr. BASHORE. No; that was not the idea. The idea was to keep the repayable amounts within the ability of the water users to pay.

But we know that if the costs are 50 percent higher than when a project was found feasible, the additional costs must be made up from some source. You cannot put it on the landowners. If these projects are needed during the war period, it is of national importance, and the individual landowner should not be expected to carry the entire burden. This legislation proposes that the funds needed to complete a project under this program will be nonreimbursable so far as the landowners are concerned. They will, however, have to pay the amount that was originally contemplated that they should pay.

Mr. ROCKWELL. That is what you wanted, is it?

Mr. BARRETT. That is what I wanted. I was wondering if the legislation adequately provided for that contingency.

Mr. MURDOCK. The chief reason for this legislation, the chief matter in which this differs from the existing law, is this: We are varying from the old-time, old-line practice of complete reimbursability of these funds.

Mr. BARRETT. I see.

Mr. MURDOCK. It is changed, because we are thinking some ought properly to be charged off to the cost of the war.

Mr. BARRETT. I thought that it was at the discretion of the Secretary according to their ability to pay. Is that right?

Mr. BASHORE. That is right.

Mr. BARRETT. But if he wants to charge some of these abnormally high costs to the water users—that is what I had in mind—whether he has the authority to assess some of these costs.

Mr. BASHORE. He might have the authority, but I don't believe that he would do it.

Mr. ROBINSON. He would have the authority, but he would not have the authority where there are existing contracts?

Mr. BASHORE. Not where there are existing contracts.

Mr. GROSS. Are there actual projects that are 75 or 80 or 90 percent complete?

Mr. BASHORE. Several are more than 50 percent complete.

STRATEGIC MATERIAL REQUIREMENTS GOVERN CHOICE OF PROJECTS

Mr. GROSS. Then to be practical, if we are going to do anything for the immediate food supply, shouldn't we confine our expenditures for construction to projects that are nearly complete and just forget the balance of them, confine ourselves to completing the projects that are well under way to completion, if we want to get immediate results?

Mr. BASHORE. I would not consider myself competent to answer that question.

Mr. GROSS. Just to be practical. From a practical standpoint wouldn't that be just good sense?

Mr. BASHORE. It might be if we can predict the duration of the war and the duration of the food shortage. I am not able to do that; so I cannot answer that question.

Mr. ROBINSON. I was going to say this: The reason that that might not be practical in many of these projects, in the very small ones, at least, is that they do not require any strategic materials to complete them. They are dams that can be put in for very little money, and they can also be completed very quickly. So that on some of these small projects they can go to work immediately. They will not require any steel or any other strategic materials. They won't require any labor outside of the small surrounding territory where the dam is going to be constructed. So that, while that dam may not be actually started, in 4 or 5 months they can have it in operation and have it working without taking any very large amount of labor from the labor supply or taking strategic materials. And for that reason sometimes it is better to take a new small project than one of these large ones, one that is partly completed.

I say that talking against my own interest. I have one, for instance, in my State, which is a large project that is almost completed. We have this situation, so that you can see how far that goes: We have the water impounded in the reservoir and a canal being built from the reservoir to deliver water to an aqueduct to Salt Lake

City, which has 49 percent of the stock in this reservoir. This project, I think, is 50 percent completed. They are literally famished for water in Salt Lake City and the surrounding territory due to the fact that there have moved into that area some 60,000 people due to the war effort. And yet we can't get that completed because of the strategic materials required.

Mr. MURDOCK. I am glad to have that very splendid statement by the gentleman from Utah. He says that he is speaking against his own interest there about that big project.

I would like to say to the gentleman from Pennsylvania in further explanation that for the 40 years during which this great Reclamation Bureau has been doing this work, from the year 1902 down to the present moment, practically all of it has been on big projects.

I like to think of our earlier reclamation effort as a warfare against the desert by the building of huge dams. The Father Abraham of dams was the Roosevelt Dam, named after Theodore Roosevelt, which was begun in 1906 and finished in 1911 and dedicated down in my State. Then there was the Elephant Butte Dam. They were all big dams.

But now lately we have come to a change of the policy with the Wheeler-Case Act. That means that we are through with the big Panzer attacks on the desert, which we have been fighting for 40 years. Now we have come to the mopping-up process along the little streams. Maybe 10,000 acres, not to be sneezed at, in the Great Plains region and throughout the West.

Today with the war situation on, that is given a further impetus. We must make available every possible acre. And the change in the legislation proposed here is in a way a change of the policy forced by these conditions.

Mr. MILLER. Mr. Chairman, does the committee have any names of dams and projects that have been approved of these 43 that were sent down to the War Food Administration? Does this committee have the names of those projects?

Mr. MURDOCK. I haven't them. Do you have them, Mr. Bashore?

Mr. BASHORE. I think we can furnish them to the committee.

(Mr. Bashore subsequently submitted the following material:)

PROJECTS APPROVED BY WAR FOOD ADMINISTRATOR

The Reclamation projects which have been recommended by the War Food Administrator to the War Production Board are as follows:

REGULAR PROJECTS

Central Valley, Calif., Friant Dam, Madera Canal, and Friant-Kern Canal.
Anderson Ranch Dam, Boise project, Idaho.
Colorado-Big Thompson, Colo.
Klamath-Modoc unit, Oregon-California.
Yakima-Roza, Wash.

WATER CONSERVATION AND UTILIZATION PROJECTS (WHEELER-CASE)

Newton, Utah.
Mancos, Colo.
Rapid Valley, S. Dak.

OTHER PROJECTS IN CURRENT PROGRAM

In addition to these projects, the Bureau has included the following in a program submitted to the Bureau of the Budget that was presented at the request of Senate Appropriations Subcommittee on the Interior appropriation bill, H. R. 2719, justifications for which are printed in the Senate hearings on this bill:

REGULAR PROJECTS

Deschutes, Oreg.
Tucumcari, N. Mex.
Lugert-Altus, Okla.
Riverton, Wyo.
Shoshone-Heart Mountain, Wyo.
Gila, Ariz., authorized by War Production Board for dust control, etc.
Boise-Payette, Idaho.
All-American Canal (Coahcella Canal), Calif.
Provo River, Utah.

WATER CONSERVATION AND UTILIZATION PROJECTS

Buffalo Rapids, Mont.
Mirage Flats, Nebr.
Eden, Wyo.

These projects were included by the Bureau in its program because they were under construction when the War Production Board issued its stop-work orders in October 1942. Work can be resumed promptly on all of them when clearance is given by the War Production Board. Legislation which will remove certain restrictions in existing law will permit construction to be expedited on these and other projects in the list of 43 which has been referred to in the hearings.

Data on all of these projects (except the Gila which has been cleared) have been submitted to the War Food Administration.

(A tabulation with detailed data on these projects is as follows:)

Accelerated construction program for War Food Production—Bureau of Reclamation

State and project	Acreage		Year water available	Fiscal-year requirements												
	New	Supplemental		Steel (tons)			Copper (tons)			Cement (barrels)			Lumber (M feet board measure)			
				1944	1945	1946	1944	1945	1946	1944	1945	1946	1944	1945	1946	
RECLAMATION PROJECTS																
Arizona: Gila ¹	8,500		1943-44	168												
California:																
All-American Canal.....	10,000	16,000		1945	150	202							25,000			65
Central Valley:													148,500	168,300		
Contra Costa.....	28,000		1945	637	302							38,800	28,000			
Friant Dam.....		160,000	1945	395	464							16		110		
Madera Canal.....		84,000	1945	766	17							14,220	1,250	620	90	
Friant-Kern Canal.....		391,000	1945	500	5,020							42,000	129,500	2,830	8,481	
Colorado: Colorado-Big Thompson.....		320,000	1945	405	350							120,050	48,000	1,315	1,260	
Idaho:																
Boise-Anderson Ranch.....		42,000	1944													
		78,000	1945	679	992	230						25,000	25,000		190	
		50,000	1946												175	
Boise-Payette.....	12,360		1945	980	352							7,810	5,505	360	210	
New Mexico: Tucumanari.....	15,000		1945	850	900							20,000	20,000	800	880	
Oklahoma: Altus.....	25,000		1945	1,190	200							32,300	3,000	1,795	455	
Oregon: Deschutes.....	20,000		1945	625	177							5,500	21,200	534	166	
Oregon-California: Klamath-Modoc.....	12,500		1944	77								6,700	12,000	100	150	
Utah: Provo River.....		25,000	1945	370	400											
Washington: Yakima-Roza.....	18,750		1944	521	22							35,500	3,500	700		
Wyoming:	13,300		1945													
Riverton.....	10,000		1944	374.7	85							13,515	3,400	285		
Shoshone-Heart Mountain.....	5,000		1945													
	4,800		1944	170	120							7,730	3,050	205	133	
	6,000		1945													
WATER CONSERVATION AND UTILIZATION PROJECTS																
Colorado: Mancos.....	2,000	8,000	1945	78	10							5,850	2,150	100	25	
Montana: Buffalo Rapids, second division.....	3,600		1944	183.4	1.6							6,500				

State and project	Acreage			Year water available	Labor (1,000 man-days)			Expenditures (\$1,000)			Funds available, June 30, 1943 (\$1,000)
	New	Supple- men- tal			1944	1945	1946	1944	1945	1946	
RECLAMATION PROJECTS											
Arizona: Gila 1	8,500			1943-44	20			562			1,850
California:	10,000	16,000		1945	110	130					2,750
All-American Canal				1945	128	81		2,486	2,267		0
Central Valley:	28,000	160,000		1945	22	22		595	150		0
Friant Dam		84,000		1945	56	42		1,175	277		0
Madera Canal		391,000		1945	207	215	90	8,470	8,000	3,000	0
Friant-Kern Canal		320,000		1945	190	70		3,675	2,260		105
Colorado: Colorado-Big Thompson											
Idaho:											
Boise-Anderson Ranch		42,000		1944	160	100	20	5,350	1,500	378	4,100
		78,000		1945							
		50,000		1946							
Boise-Payette	12,360			1945	45	27		1,088	614		1,500
New Mexico: Tucumcari	7,070			1945	50	50		1,856	944		656
Oklahoma: Altus	15,000			1944	97	26		2,200	1,480		215
Oregon: Deschutes	25,000			1945	45	69		1,200	1,400		750
Oregon-California: Klamath-Modoc	20,000			1944	18			610			190
Utah: Provo River	12,500			1944	20	25		746	805		1,400
Washington: Yakima-Roza		25,000		1945							
Washington: Yakima-Roza	18,750			1944	44	18		1,440	800		575
Wyoming:	13,300			1945							
Riverton	10,000			1944	26	16		580	390		800
	5,000			1945							
Shoshone-Heart Mountain	4,800			1944	12	6		523	272		300
	6,000			1945							

¹ Cleared by War Production Board for dust control for Yuma air base but will also aid food program.

State and project	Acreage		Year water available	Labor (1,000 man-days)			Expenditures (\$1,000)			Funds available, June 30, 1943, (\$1,000)
	New	Supple- mental		1944	1945	1946	1944	1945	1946	
WATER CONSERVATION AND UTILIZATION PROJECTS										
Colorado: Mancos.....	2,000	8,000	1945	92	21	-----	1,274	895	-----	359
Montana: Buffalo Rapids, second division.....	3,600	-----	1944	45	9	-----	350	-----	-----	0
Nebraska: Mirage Flats.....	6,000	-----	1944	48	30	-----	875	575	-----	200
South Dakota: Rapid Valley.....	6,000	12,000	1945	33	9	-----	400	170	-----	0
Utah: Newton.....	565	1,650	1944	33.3	-----	-----	275	-----	-----	0
Wyoming: Eden.....	11,000	9,000	1945	43	18	-----	875	1,140	-----	615
Total.....	250,575	1,196,660	-----	1,524.3	984	110	36,605	24,029	3,378	16,365

Mr. MILLER. Can we get any indications, any recommendations made by the Department, on the projects that went down before the War Food Administration?

Mr. BASHORE. We don't make recommendations, but we submit all the data.

We started out on this 3 months ago by conferring with a special committee of the Department of Agriculture. We had a man working with them right in the office to determine just what information they wanted in order to analyze the projects. After determining that, we send over a project and recommend that they give it consideration, and we supply all the information that anybody would need to consider it so far as we can see.

Mr. MILLER. Do those projects when they go from your office indicate which ones have the materials already on the ground?

Mr. BASHORE. Oh, yes. We indicate the amount of critical materials that are required by quarters, the amount that is available on the ground, and the availability of the construction equipment, and anything else that is pertinent.

CRITICAL MATERIAL REQUIREMENTS REDUCED TO MINIMUM

Mr. MILLER. Does the Department now cut out all the frills and things that are not needed in the irrigation projects, that it can get along without, or do you still put in the frills?

Mr. ROBINSON. I would like to know what you mean by "frills." We haven't any of them.

Mr. MILLER. Such as paintings of dams.

Mr. ROBINSON. Certainly nobody ought to have that special kind of consideration.

Mr. BASHORE. Dr. Miller, I worked in your State for a good many years, and I don't know of any frills on any irrigation work in the State of Nebraska.

Mr. MILLER. I hope not.

Mr. LEMKE. Mr. Chairman, may I suggest that we start reading the bill for amendment.

Mr. MURDOCK. The chairman has asked Mr. Cheadle to appear here this morning—

Mr. BARRETT. I have one little question that I would like to clear up before Mr. Cheadle begins.

In cases where there is very little steel needed on the project, or little other strategic materials, do you still have to go to the War Production Board because of the labor situation?

Mr. BASHORE. Yes. Because in October they placed a stop order on all construction. We have to go to them and get the War Production Board to lift the stop order. Then next we have to get the priorities granted and get an allotment of strategic materials that we may need.

There are many operations in there that the Bureau of Reclamation must perform in order to get results. As I said in the beginning, I feel that we are on the spot on this food production. We believe in the program. We want to expedite our operations as much as possible. Having in mind all these things we have a lot to do even if this legislation should be passed by Congress.

NEW LEGISLATION REMOVES HINDRANCES

Mr. LEMKE. Maybe this will take some of the hobbles off that have been put on you in the past year.

Mr. BASHORE. Thank you very much.

Mr. ROBINSON. I was just about to make that speech. Maybe you said it in fewer words than it would have taken me.

But I would like to take this time to go back a little way, several months ago. About 5 or 6 months ago a subcommittee was appointed, one from the House and one from the Senate, headed by Senator Hayden. I was appointed the chairman of the subcommittee in the House to investigate this matter and so make recommendations as to the building of these various reclamation projects.

Now, those recommendations were made, and here recently we met with Chester Davis and the War Production Board and the group that handles these various projects.

It is a long story and it is very difficult to get at what is being done. However, Chester Davis and his group in connection with the Department of Agriculture, and the Interior Department, are anxious to have all the projects built that can be built that will give aid to the food supply. These projects are submitted by the Department and recommended, and they are gone over——

Mr. MILLER. Cut out the word "recommended." I don't think that ought to be in.

Mr. ROBINSON. All right. They are approved. And then they are taken up and considered and approved by the Department of Agriculture and submitted to the War Production Board.

Now, as I understand this legislation, it is solely for the purpose of, as Mr. Lemke so well puts it, taking the hobbles off or the hindrances out of the present law, in order to accomplish what Mr. Davis and the Department want to accomplish in the production of food for this war. That is as I understand the purpose.

Mr. MURDOCK. I think the gentleman is right.

If there are no other questions, we will hear Mr. Cheadle.

STATEMENT OF J. KENNARD CHEADLE, CHIEF COUNSEL, BUREAU OF RECLAMATION

Mr. CHEADLE. Mr. Chairman, there is very little that I could add to the explanation of the bill H. R. 3019 that is given in the Secretary's report, which was read by the secretary of the committee. I would like to make one or two comments in connection with the questions that have been asked. Perhaps I can clear up one or two of those.

You asked if it was necessary to get clearance from the War Production Board on projects where there were no critical materials or very small amounts required. The answer is that last fall the War Production Board stopped construction on projects on which we had not even made application for priorities. They also stopped construction on some projects on which we had made applications, but the applications had been denied. In other words, their stop order affected the projects where we are seeking to go ahead without any priority.

Of course, we were making some progress on those projects without priorities; and that indicates that there were practically no critical materials involved there, because you certainly cannot procure any without priorities.

Mr. BARRETT. Excuse me for one question. I cannot see why all these powers should be lodged in the War Production Board. They seem to have a standing veto power.

Mr. ROBINSON. The only reason is because we are at war.

Mr. BARRETT. I think that if we did not have to have any strategic materials and no steel, and the labor is available, they are interfering with the war effort.

Mr. ROBINSON. I agree with you, but that is the position that the War Production Board takes. They take the position that they have absolute control over all labor and all materials. We had one case where they wanted an engine to go to work. We had it right there ready to install. They would not let them install it, on the theory that if they installed that, they might take it from some place else. They could not get a priority.

Mr. GROSS. I happen to know of a case where a hardware dealer has a carload of pipe. He could not sell a man a piece of pipe, but he could buy another carload of pipe. He has the privilege to buy a carload if he has one on hand, but he does not have the right to sell it. It is the same thing.

Mr. LEMKE. I can add that very recently in my home State stacks of rubber tires have been lying there and deteriorating, and farmers cannot get the tires to do their work with.

Mr. BARRETT. I am speaking of my own question, and the particular thing in issue here. It seems to me that regardless of the War Production Board, if Congress does not agree with that philosophy, we could express it in this bill even by saying that if no critical materials are required for a project and if the Bureau of Reclamation says that they have the labor available, I think they ought to have the right to go ahead with the construction regardless of the War Production Board.

Mr. GROSS. That certainly would be the answer to the essential war industries.

Mr. CHEADLE. Mr. Chairman, it is not suggested that we should have any determination of the labor problem, nor the material problem. Those are vested in other agencies of the Government.

What we are concerned with is set forth in the testimony of the Assistant Secretary of Agriculture before the House Appropriations Committee, in which he said: "Regardless of how much food we will produce, it will not be enough. Even if we could produce twice as much food as we will be able to produce we could use it all."

In May Chester Davis, the Food Administrator, wrote to the War Production Board and pointed out the very serious food problem that is confronting the country. That was before the flood damage.

We take merely this position in the Bureau: We want to be equipped with the necessary substantive legislation so that to whatever extent those who have the over-all picture on agriculture may determine, and to whatever extent those who have the over-all picture on the control of materials and the manpower situation may determine,

that the war program needs to be served by an expansion of the irrigated lands, we can construct the necessary works. Then we will be equipped to do that job under wartime conditions and to do it by as simplified procedure as possible.

We are as much concerned about the difficulties that have been mentioned as you gentlemen and as all citizens are. But all that we are asking—and I respectfully submit that it is probably all that we appropriately can ask—is to be equipped so that to the extent those in control say we should build works, we can do it under wartime conditions and can do it in as expeditious a manner as possible.

If I may revert to one of your questions. You were concerned about whether there would be a passing on to the water users of what is called wartime additional cost. Under the existing Wheeler-Casc law the Secretary has the discretion—that is one way to put it; another way is to say the responsibility—of determining how much the water users can afford to pay.

After that question is determined, if the construction of this Wheeler-Casc project is to proceed under existing law, there must be contributions available to meet any costs in excess of what the users can afford to pay. There must be available labor, materials, or other property, including money, from W. P. A. or C. C. C. or some similar other Federal agencies. All that section 5 would do on that point of cost is to provide that appropriated money, moneys appropriated under the Wheeler-Casc Act, which heretofore have all been on the reimbursable side, may be used in lieu of W. P. A. and C. C. C. contributions.

Mr. ROBINSON. On the question of food, Chester Davis made this statement in my presence: That there would be a shortage of food in the Nation; that there would be a shortage of food during the present war and for 2 years after the war. He says that as a definite fact; and the people of the United States have got to know that and assume that responsibility.

Mr. BARRETT. One thing is not clear. I can appreciate that the Department of the Interior is bound by the findings of the War Labor Board. But you speak about the over-all policy. After all is said and done, Congress has or should have the say about the over-all policy. That is our responsibility.

Mr. MURDOCK. Are you ready to proceed with the reading of the bill? I believe the chairman has asked one or two other gentlemen to appear today.

Mr. LEMKE. I don't see any additional information that we can get on the bill. Some of these men have got to go shortly. We at least ought to get this out of the way.

Mr. ROBINSON. I think we ought to get this bill acted on. If there is going to be any good done, we will have to get it through quickly, because the only purpose of this bill is so that we can take advantage of the money that is in the present appropriation bill. This will be an authorization for those appropriations; and unless these are passed, there is no authorization for those appropriations.

Mr. MILLER. Mr. Chairman, are there any amendments to be offered to the bill? I have read the bill over and I wonder if it is necessary to read the bill.

Mr. LEMKE. I just want to call attention to one sentence in 3018. I have no objection at all to 3019.

Mr. CHADLE. I have one comment in connection with the proposed amendments to the Wheeler-Case Act. You mention, Mr. Robinson, that this bill would be necessary to permit the use of presently appropriated moneys, moneys that have been proposed by the Senate.

Mr. ROBINSON. Yes.

Mr. CHADLE. I don't know. It is a matter for the House Parliamentarian, I suppose. I don't know whether the bill would be subject to a point of order because it provides that moneys heretofore appropriated may be used. I merely wanted to call that to the committee's attention. The bill as drafted provides that moneys heretofore or hereafter appropriated could be used pursuant to the provisions of this bill. I don't know the answer to that question, sir. I merely call that to your attention.

Mr. MURDOCK. I see that Mr. Rising is here this morning. I wonder if Mr. Rising could tell us this: Could you tell us whether the Senate has made any changes in either of these bills?

**STATEMENT OF E. W. RISING, REPRESENTATIVE OF THE STATE
WATER CONSERVATION BOARD OF MONTANA, ALSO REPRESENTING ALL OF THE IRRIGATION INTERESTS IN IDAHO.**

Mr. MURDOCK. Will you state your name and whom you represent?

Mr. RISING. My name is E. W. Rising. I represent the Montana State Water Conservation Board; and also the irrigation interests in Idaho.

As to 3019 I think that there are no changes necessary in the bill as the committee has it before them. I think it is identical with the Senate bill as introduced yesterday, except that in the Senate bill I have just been informed there is one typographical error that they will have to correct. The House bill is absolutely correct, and I certainly would recommend that the committee report these bills favorably at the earliest possible moment.

Mr. LEMKE. Mr. Chairman, I move that we report H. R. 3019 out favorably.

Mr. MILLER. I second the motion.

Mr. MURDOCK. You have heard the motion. All in favor of it make it known by saying "Aye." Contrary, "No."

The motion is carried.

Mr. LEMKE. Now we get to H. R. 3018. I just want to call attention to one change where I think that it gives too broad power. On page 2, in line 20, where it says:

The authority of this Act shall be exercised by the Secretary in whatever manner and on whatever terms he determines to be most effective for wartime purposes.

I wonder if that change is necessary. I would like to have some explanation.

Mr. MURDOCK. I will ask Mr. Rising if he can indicate whether the Senate bill has been changed.

Mr. RISING. I think it has.

Mr. MURDOCK. If we could have definite information regarding the Senate bill, it would facilitate matters.

Mr. Bashore, I request permission to insert in the record a letter from Secretary Ickes to Senator Hayden with an enclosed statement on the bill authorizing Wartime Construction and Operation and Maintenance of Reclamation Projects. These data relate to H. R. 3018 as proposed by the Department of Interior.

(The material referred to is as follows:)

THE SECRETARY OF THE INTERIOR,
Washington, June 7, 1943.

HON. CARL HAYDEN,
United States Senate.

MY DEAR SENATOR HAYDEN: On May 31, by your letter addressed to Acting Commissioner Bashore of the Bureau of Reclamation, you requested that he be prepared to discuss at the hearings before the Senate subcommittee on the Interior appropriation bill "possible legislation which might be required in order to expedite construction of irrigation facilities during the war." A draft of a bill authorizing wartime construction and operation and maintenance of reclamation projects is enclosed. Also enclosed is a statement which describes and explains the major provisions of the proposed legislation.

The importance of the reclamation program as a means for meeting in substantial part the extraordinary wartime requirements for food was clear enough to lead me last fall to protest strenuously against the closing down of project construction that was then under way. As the War Food Administration has stated, the most effective means of increasing the output of the foods in greatest need, such as dry beans and peas, potatoes, and dairy products, is through irrigation project development. The very recent flood damage suffered by agricultural areas in many States has aggravated the food shortages and has increased the urgency of resuming and expanding the reclamation program.

So that reclamation work may be accomplished speedily, for wartime purposes and under wartime conditions, the legislative framework within which the reclamation program operates should be geared to current needs. The enclosed draft of bill would serve that purpose. I hope that the Congress will promptly enact it so that the Bureau of Reclamation will be legislatively equipped to proceed with speed to carry out an important part of the vitally necessary program for increased production of crops required in connection with the prosecution of the war.

It has not been possible to obtain the views of the Bureau of the Budget upon the enclosed draft of bill prior to making it available for discussion before the Senate subcommittee on the Interior appropriation bill. The draft has been submitted to the Bureau of the Budget only very recently. Consequently, I am unable to advise whether the enactment of the bill would be in accordance with the program of the President.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

STATEMENT OF THE DEPARTMENT OF THE INTERIOR REGARDING THE BILL,
H. R. 3018, AUTHORIZING WARTIME CONSTRUCTION AND OPERATION AND
MAINTENANCE OF RECLAMATION PROJECTS

The prime purpose of the bill is to move with speed in the construction and operation of irrigation storage, distribution, and drainage systems that will permit increased production of necessary crops. The War Food Administration knows what crops are necessary and has over-all charge of the food program. Accordingly, the bill would require, preliminary to any construction under its authority, first, that the Secretary of the Interior make a determination of the engineering feasibility of the proposed work, make an estimate of its cost, and make a report to the Federal Food Administrator of the additional acreage which would be made productive by the proposed construction; and second, that the Federal Food Administrator certify that the work is necessary for crops required in the prosecution of the war. With these prerequisites having been met, the Secretary of the Interior would be authorized to proceed with the proposed construction work.

Under the bill there could be both new construction and improvement of existing works, and work could be undertaken in connection with any project heretofore

initiated under the Federal Reclamation Laws or the so-called Water Conservation and Utilization Project Act, as well as on any other federally or nonfederally owned lands. The authorization would specifically cover work on nonfederally owned lands, so that there could be the construction or improvement of distribution systems or drainage systems on non-Federal irrigation projects, without title to the necessary rights-of-way and other interests in lands and to the works being in the United States.

The bill would also authorize operation and maintenance of irrigation storage, distribution, and drainage systems. It is likely that a wartime program on some of the existing projects under the jurisdiction of this Department, both on those that are completed and those that might be expanded under the proposed legislation, would require a method of operation varying from that contemplated in original plans for the projects and provided for, in some cases, in existing contracts with water users' organizations. For example, approximately 20,000 acres of land can be put under irrigation very quickly on the Roza division of the Yakima project by rushing to completion the construction of a distribution system on which work was stopped last fall by orders of the War Production Board. For wartime purposes, it might be practicable to have the additional acreage cultivated in large holdings and to require payment for the water delivery on a toll-charge basis. Such an arrangement would differ from that originally contemplated for the Roza division and from that provided for in the contract with the Roza irrigation district. Consequently, it might prove to be necessary to make appropriate adjustments. However, such adjustments can best be left until after the war.

Accordingly, in section 7 of the bill it is provided that as soon as practicable after the cessation of hostilities, the Secretary of the Interior shall report to the Congress on the construction and operations undertaken pursuant to the bill and shall submit his recommendations for whatever adjustments in project accounts and arrangements for the operations of projects need, in his judgment, be made by reason of activities undertaken pursuant to the bill.

The need for such a report to Congress and for possible adjustment would exist also in connection with new construction or the continuation of construction heretofore commenced, due principally to wartime construction costs. Construction work performed in the last few years, such limited construction work as is proceeding now with the permission of the War Production Board, and such work as might be undertaken under the proposed legislation exceeds greatly in cost the expense of doing such work in peacetime. This Department and its Bureau of Reclamation are proud to have maintained, continuously for 41 years, a sound financial basis under the Federal reclamation program. It is not suggested that that principle of financial soundness be abandoned. It is, however, essential that the reclamation program in wartime be geared to proceed in accordance with wartime requirements. Just as the requirements for copper necessitate the construction at wartime costs of plant facilities to increase production, so do requirements for food require the construction at wartime costs of irrigation project works which will permit intensive cultivation of additional acreage for the production of necessary crops. This Department and its Bureau of Reclamation firmly believe that the Congress in considering adjustments, after having presented to it a report on the wartime activities of the Bureau, should and will adhere to the principle that water users shall repay to the United States whatever part of the construction costs that is within their ability to pay. With adherence to that principle, the Federal wartime investment in food production plant through works constructed by this Department would in substantial part be retained on the books of the Treasury as a financially sound account receivable.

The proposed bill would authorize this Department to clear, level, and prepare lands for the distribution of irrigation water, but with regard to such work on nonfederally-owned land the authority would be expressly circumscribed so as to permit such work only with the consent of the ostensible owner and pursuant to a contract with such owner.

Full utilization of works undertaken pursuant to the proposed legislation, and provision of water and power supplies for war production, military establishments, and municipal needs may warrant miscellaneous water supply, power, or flood control features as incidental to and a part of the reclamation works undertaken pursuant to the bill. Accordingly, such features would be authorized.

Section 2 of the bill makes it clear that this Department would have in its activities under the bill the same authority, in connection with the construction or operation and maintenance work undertaken pursuant to the bill, that it has in connection with projects undertaken pursuant to the Federal reclamation laws.

Section 3 would give an express authorization for the utilization of services or labor of prisoners of war, enemy aliens, and American-born Japanese subject to the approval of, and regulations by, the War Department or whatever other Federal agency may have control of such persons. If such labor were made available for work performed under the proposed legislation, it would meet a substantial part of the manpower requirements involved, and would permit the useful employment of such persons at work which, due to its character and geographical location, would make the task of maintaining adequate control over such persons comparatively simple.

Section 4 (a) deals expressly with the so-called excess land problem. For wartime purposes, and limited to the period of the war and 1 year thereafter, there should be such legislative latitude as would permit large-scale operations on irrigation projects, by individuals or corporations. However, any such grant of legislative latitude should be coupled with an express reiteration of the basic reclamation purpose that the Federal reclamation program should provide for individual settlement of irrigated lands by qualified farmers and their families. That policy has been constant throughout the Federal reclamation laws from the date of the basic act, June 17, 1902, and while it is desirable that the Congress relax that policy for wartime purposes, any such relaxation should be coupled with a legislative direction that there shall be a return to the basic policy when hostilities in the present war have ceased and demobilization of the armed forces has commenced. The wartime relaxation provided for in the proposed bill is accompanied by such a direction.

Many Members of the Congress have already evidenced their interest in having the reclamation program serve again as it did after the First World War to provide opportunities for individuals to shift, with a minimum of economic and social dislocation, from the destructive business of war to the constructive business of developing farms productive of solid family life and economic self-sufficiency.

With an ultimate view to such a post-war purpose, but an immediate view to facilitating in some situations wartime irrigation and related farm operations, section 4 (b) would authorize the acquisition by purchase of farm lands in the area to be served by irrigation works. The authority proposed is not the broad one "to acquire," which has been construed to include the authority to condemn. It is limited to the authority to acquire "by purchase." There is no apparent occasion to condemn land for agricultural purposes. There may be, however, situations in which owners of sage brushland, grazing or dry farming land would rather sell than engage in irrigation farming. Some owners of presently irrigated land may want to sell. In such situations there should be authority to buy from such owners. However, there is no apparent occasion for the Bureau of Reclamation to engage in the farming business. Consequently, section 4 (b) expressly provides that any such acquired lands shall be leased for the production of crops declared necessary by the War Food Administration and for related uses. Under section 1 any such lease may not be for a period longer than 5 years. Thus within a comparatively short period the acquired lands can be made available by the Congress for post-war farm settlement on an ownership basis.

Since the acquisition of any such lands would reduce the tax base of the State and local governments, section 5 would authorize agreements to make payments in lieu of taxes. As the land when developed by irrigation and returned to private ownership in the post-war period will be very substantially increased in taxable values by reason of the Federal investment and development, it is fair and adequate that the local tax bodies be made whole during the short period of Federal ownership. Section 5 provides therefore that the maximum amount of such payments shall be the amount of the tax imposed on any such property for the last year prior to the year in which the United States acquired such property. However, there may be some situations in which, due to the character of the previous use or the nonuse of such property in the past few years, the amount of the taxes has been disproportionately large, and the payments accordingly should be less than the maximum allowable. Also, it is possible that in some situations it would be practicable and advisable to tie the amount of the payments in lieu of taxes to the receipt of lease rentals from the land in an amount at least sufficient to meet the payments. It might be practicable in some situations to group several holdings of acquired lands in agreements with the local tax bodies. The situations as regards this tax problem are sure to be varied, and accordingly there should be latitude in the authority granted so that the agreements can be varied to meet different situations, with the ceiling on any such payments as expressly set forth in the bill.

Under the authorization in section 6 for appropriations to carry out the purposes of the bill, there could be either lump-sum appropriations or appropriations separately for the various projects. All receipts in connection with operations under the bill would be covered into the Treasury to the credit of miscellaneous receipts, and accordingly there would have to be appropriations for all activities, including construction, operation and maintenance, and payments in lieu of taxes. It is probable that some of the receipts which would be placed to the credit of miscellaneous receipts would be such as under existing law would be covered into the reclamation fund. However, operations under the bill inevitably would involve many and various complications in accounting, particularly where construction or operations under the proposed legislation are undertaken in connection with a project heretofore initiated. Rather than expend the time and manpower involved in attempting to work out these complicated accounting problems at this time, it is believed that the best interests of the United States would be served by covering all receipts from operations under the bill into the Treasury to the credit of miscellaneous receipts and leaving necessary adjustments in accounting to determination by the Congress after the war.

Section 7 would limit the authority to commence construction under the authority of the bill to the period ending 1 year after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress.

In general, the bill would streamline the Reclamation procedures so that the wartime job of the Bureau of Reclamation can be accomplished simply and speedily. Considerable discretionary authority would be provided. However, a frequent congressional check on the exercise of the authority granted would be effected at the times of congressional consideration of the appropriations that would be necessary to carry on the work. Furthermore, the final relation of what is done under the wartime act to the peacetime reclamation program would be a matter for congressional determination at an early date after the cessation of hostilities.

Mr. RISING. Mr. Chairman, I am informed that the Senate bill strikes out, beginning on page 2, line 16, starting at the end of the line, the word "municipal," and strikes out all of lines 17, 18, 19, 20, 21, 22, and in 23 to the end of the word "purposes."

Then the Senate bill makes a further correction. On line 23, after the word "that" they have added the word "no" so it will read, "that no non-Federally owned lands," and so forth.

Mr. Cheadle, I think, can explain that better than I can. I think he has a copy of the bill.

Mr. LEMKE. I want to make a motion. I move that the provisions stricken out by the Senate bill, beginning on line 16 with the word "municipal" and down to the colon after "wartime purposes," be stricken out of this bill.

Mr. MILLER. I second the motion.

Mr. MURDOCK. You have heard the motion. All in favor make it known by saying "Aye." Opposed, "No."

The motion is carried.

Mr. MILLER. I would like to move that in line 23, where it says, "that no non-Federally owned land shall be," we change that to conform with the Senate bill, to read, "that no non-Federally owned land"; that we insert the word "no" before "non-Federally owned."

Mr. RISING. As to that same sentence, Mr. Chairman, I have not had time enough to see what that change is and I cannot explain that. Maybe this gentleman here can.

Mr. CHEADLE. I have a bill here which one of the men has marked up for me, a copy of the House bill showing the changes in the Senate bill.

The House bill proviso reads:

that non-Federally owned lands may, by the Secretary, be cleared, leveled, or prepared for distribution of irrigation water only with the consent of the ostensible owner and pursuant to contract therefor with said owner.

The Senate bill proviso, as I have it marked here, reads:

that no non-Federally owned land shall be cleared, leveled, or prepared for distribution of irrigation water except by and with the consent of the owner.

Now, then, as I read the change in the Senate bill, except for striking the word "ostensible," on which I will comment in a moment. I think it is no different from the House bill in substance. Consequently I assume that if you adopt this, the change in the Senate bill, it would not change the effect of the House bill except for the word "ostensible" being deleted.

MR. MILLER. I think my motion should be then, Mr. Chairman, that in the House bill on line 23, page 2, we should strike out all of the lines beginning on line 23 with the word "*Provided*" and lines 24 and 25, and lines 1 and 2 on page 3, and then insert the Senate provision, which reads:

Provided, That no nonfederally owned land shall be cleared, leveled, or prepared for distribution of irrigation water except by and with the consent of the owner and pursuant to contract therefor with said owner.

That conforms to the Senate bill.

MR. MURDOCK. That conforms to the Senate bill.

MR. CHEADLE. May I make just one comment in explanation of the word "ostensible."

If there is a cloud on the title to the land, there is a possibility that maybe your contract may be as tied up as we often get tied up in the acquisition of lands for reservoirs. In many of these cases we often file friendly condemnation suits for the purpose of clearing it up. It is only for that reason that the word "ostensible" was included in the original draft.

If it is deleted, in most cases, of course, the owner will be there and will have clear title, and the contract will be obtained with him and with his consent. There may be some cases, however, where it will drag on for a long time, even though the ostensible owners are there and want the land cleared; want to make contracts. It might be a long time before we can go ahead in some cases.

MR. LEMKE. Don't you think that that depends on how technical the attorney is? He wouldn't have to do that if he knows the person who is there, when the owner is there residing upon the land.

MR. MURDOCK. Gentlemen, you have heard the motion by the gentleman from Nebraska and also the explanation from the attorney. What is your pleasure?

MR. ROBINSON. Question.

MR. MURDOCK. All those in favor of the motion make it known by saying "Aye." All those opposed, "No."

The motion is carried.

MR. RISING. May I read from page 1 of the bill on line 11? The Senate has made a slight change in that. Where it says, "and to lease for periods not exceeding five years," the Senate has changed that to read, "and to lease for a period not exceeding five years." In other words, they have limited it to one 5-year period.

Mr. MURDOCK. The Chair will entertain a motion to make it conform:

Mr. BARRETT. I move, Mr. Chairman, that on line 11, on page 1, after the word "for" that the word "a" be inserted, and that the "s" be stricken from the word "periods."

Mr. MURDOCK. You have heard the motion. All in favor of it make it known by saying "Aye." Contrary, "No."

The motion is carried.

Mr. RISING. There are no changes on pages 4 and 5.

To go over to page 6, the Senate has deleted all of lines 23, 24, and 25, and has inserted the following:

The Secretary shall annually report to the Congress on construction and operations under this Act and, as soon as practicable after the cessation of hostilities as thus determined, the Secretary shall submit a complete report to the Congress on the construction and operations undertaken pursuant to this Act.

Mr. ROCKWELL. Why not just accept the whole Senate bill rather than go through and change this one?

Mr. ROBINSON. I was just wondering about that. Why not report out the Senate bill?

Mr. LEMKE. I understood that there was a typographical error in one of these bills. Which one is it?

Mr. RISING. There is a typographical error in the Senate bill.

If you want to report out the Senate bill, you could just strike out the Senate number and report out this language with the House number on it.

Mr. LEMKE. I think we had better make the corrections.

Mr. ROCKWELL. But we are liable to miss some of these corrections.

Mr. MURDOCK. I think that the gentlemen have combed it pretty carefully. I think that this is the last correction.

Mr. RISING. That is correct.

Mr. MURDOCK. The Chair will entertain a motion to substitute the Senate provision on page 6 for the provision in the House bill.

Mr. ROBINSON. I will make that motion.

Mr. MILLER. I second the motion.

Mr. MURDOCK. You have heard the motion. All in favor make it known by saying "Aye." Contrary, "No."

The motion is carried.

Mr. LEMKE. Mr. Chairman, I move that we report out the bill as amended.

Mr. MILLER. I second the motion.

Mr. MURDOCK. The Chair had in mind an amendment to offer at the end of section 7 on page 7.

Mr. LEMKE. I withdraw my motion.

Mr. MURDOCK. No; I will not ask it withdrawn, as this is only to be for the benefit of the record, and I do not propose to offer it. But I would like for the benefit of the record to call attention to the fact that I myself and other members of this committee have formerly been of the opinion that some change ought to be made in the reclamation law now giving a distinct preference to ex-servicemen.

I introduced a bill to that effect in the last session. It was in the last Congress, H. R. 7680. However, it was introduced late in the session. It probably needs some correction and changes before the committee takes any action upon it.

Since this is wartime legislation, I am not offering this amendment. But this is what I had in mind:

In the case of newly developed projects on Federally owned land the Secretary is authorized to make plans for ultimate entry on such lands and with fee simple title thereto for such ex-servicemen and women of our armed forces as may qualify under rules and regulations prescribed by the Secretary with preference given to such ex-service members above all other entrymen.

Simply for the sake of the record, it is my opinion—and I am joined in such attitude by other members of this committee—that at the conclusion of hostilities distinct preference should be given to ex-servicemen on the land.

Mr. ROBINSON. I think that the motion should also include authority for the chairman to take the matter before the Rules Committee or to do anything that is necessary to get this legislation through.

Mr. LEMKE. Yes. To get the legislation up as quickly as possible.

Mr. ROBINSON. Yes.

Mr. MURDOCK. The motion then is that the bill be reported favorably and that the chairman of the committee be instructed to take every necessary step for quick action. Is there any discussion?

All those in favor make it known by saying "Aye." Contrary, "No."

The motion is carried.

Mr. ROCKWELL. May I ask a question? The statement has been made here several times that this was a war measure. But there is nothing in either of these bills that limits them to the war, is there?

Mr. CHEADLE. The Wheeler-Case Act provides that no construction may be commenced with such appropriated money used in lieu of W. P. A. money beyond 6 months after the cessation of hostilities as determined by proclamation of the President or concurrent resolution of the Congress.

H. R. 3018 is called the Wartime Reclamation Act. It provides that there may be no commencement of construction of any new project after 1 year after the cessation of hostilities.

Therefore the special provisions for operating under wartime conditions are limited in one case to 6 months after the duration and in the other case to 1 year after the duration.

Mr. ROCKWELL. That is written into each of these bills?

Mr. CHEADLE. It is.

Mr. MURDOCK. The committee will stand adjourned.

(Whereupon, at 11:50 a. m., the committee adjourned.)

TEXTS OF THE BILLS REPORTED

(The texts of the bills as reported are as follows:)

[H. R. 3018, 75th Cong., 1st sess.]

[New matter shown in italic; stricken matter in black brackets]

A BILL Authorizing wartime construction and operation and maintenance of reclamation projects

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of increasing production of crops required in connection with the prosecution of the war, the Secretary of the Interior (hereinafter called the "Secretary") is authorized to construct or improve, and to operate and maintain irrigation storage, distribution, and drainage systems

and related facilities on federally or nonfederally owned lands in the seventeen westernmost States; to clear, level, and prepare such lands for distribution of irrigation waters; and to lease, for a period [s] not exceeding five years, federally owned or controlled lands for the production of such crops and for related uses. No construction of irrigation storage, distribution, or drainage systems shall be undertaken by the Secretary pursuant to this Act until he shall have made (1) a determination of the engineering feasibility of such work, (2) an estimate of the cost thereof, and (3) a report to the Federal Food Administrator of the additional acreage which may be made productive thereby, and until said Administrator shall have certified that said work is necessary for the production of crops required in connection with the prosecution of the war. Activities pursuant to this Act may be undertaken on lands in any project heretofore initiated under the Federal reclamation laws or the so-called Water Conservation and Utilization Project Act of August 11, 1939 (53 Stat. 1418), as amended, as well as on any other federally or nonfederally owned lands: [Municipal or miscellaneous water supply, electric power, or flood-control features may be constructed, operated, and maintained by the Secretary as incidental to and part of reclamation work undertaken pursuant to this Act. The authority of this Act shall be exercised by the Secretary in whatever manner and on whatever terms he determines to be most effective for wartime purposes:] *Provided*, That no nonfederally owned lands shall [may, by the Secretary,] be cleared, leveled, or prepared for distribution of irrigation water *except by and [only]* with the consent of the [ostensible] owner and pursuant to contract therefor with said owner.

SEC. 2. (a) In connection with any construction or operation and maintenance pursuant to the provisions of this Act, the Secretary shall have the same authority, with regard to the utilization of lands owned by the United States, as he has in connection with projects undertaken pursuant to the Federal reclamation laws, Act of June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

(b) In connection with investigations, construction, or operation and maintenance undertaken pursuant to the authority of this Act, the Secretary shall have with respect to construction contracts, purchase of supplies and equipment, procurement of services, and the expenditure of contributed funds; with respect to the acquisition, exchange, and disposition of lands, interests in lands, water rights, and other property and the relocation thereof; and with respect to other matters relating to such investigations, construction, or operation and maintenance, the same authority, including authority to acquire lands and interests in lands and water rights with titles and at prices satisfactory to him, which he has in connection with projects under the Federal reclamation laws.

(c) The provisions of subsections (a) and (b) of this section are cumulative to all other existing authority and shall not be deemed, nor operate as, limitations on the authority provided elsewhere in this Act. Wherever in this Act functions, powers, or duties are conferred upon the Secretary, said functions, powers, or duties may be performed, exercised, or discharged by his duly authorized representatives.

SEC. 3. The utilization of services or labor of prisoners of war, enemy aliens, and American-born Japanese in connection with work undertaken pursuant to the authority of this Act is authorized, subject to the approval of, and regulations by, the War Department or other Federal agency having control of such persons.

SEC. 4. (a) In connection with any irrigation project under the Secretary's jurisdiction, and in connection with any irrigation storage or distribution works constructed pursuant to the authority of this Act, delivery of water may, until one year after the cessation of hostilities determined in accordance with section 7, be made to or for lands of whatever acreage held in single ownership, corporate or otherwise, the Secretary determines to be proper for wartime purposes, without regard to restrictions in existing laws or contracts. Any delivery of water hereunder to land in excess of one hundred and sixty acres of irrigable land or smaller-sized farm units established under the Federal reclamation laws, owned by any one landowner shall not entitle the landowner or anyone holding under him or anyone receiving water service for said excess land to continuation of water deliveries to or for said excess land after the date one year after the cessation of hostilities determined in accordance with section 7, it being the hereby declared policy of the Congress that settlement and operation of federally irrigated lands by qualified farmers and their families is the basic reclamation purpose of the United States, and that the operations by the Secretary under this Act shall be directed to the effective carrying out of that basic purpose when hostilities in the present war have ceased and demobilization of the armed forces has commenced.

(b) The Secretary is hereby authorized, for purposes of irrigation farming and related uses to acquire by purchase lands within the area served by any project under his jurisdiction, or to be served by irrigation or distribution works constructed pursuant to the authority of this Act: *Provided*, That any such acquired lands shall be leased by the Secretary pursuant to the provisions of section 1 for the production of crops declared necessary by the War Food Administration and for related uses.

SEC. 5. The Secretary may enter into agreements to pay annual sums in lieu of taxes to any State or political subdivision thereof with respect to any real property situated therein after it is acquired pursuant to the authority of section 4 (b) of this Act: *Provided*, That the amount so paid for any year upon any such property shall not, in any event, exceed the amount of the taxes imposed on such property for the year last prior to the year in which the United States acquired such property.

SEC. 6. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums of money as may be necessary to carry out the provisions of this Act, including investigations and surveys of work proposed pursuant to this Act; and, from such sums appropriated, expenditures may be made for personal services in the District of Columbia and may be made for all objects of expenditure that are specified in the Interior Department Appropriation Act, 1944, under the caption "Bureau of Reclamation, Administrative Provisions and Limitations," without regard to the amounts of the limitations therein set forth. All receipts from operations under this Act shall be covered into the Treasury to the credit of miscellaneous receipts.

SEC. 7. No construction of a project or division of a project shall be commenced pursuant to the authority of this Act from and after the date one year after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress. [As soon as practicable after the cessation of hostilities as thus determined, the Secretary shall report to the Congress on the construction and operations undertaken pursuant to this Act]

The Secretary shall annually report to the Congress on constructions and operations under this Act and, as soon as practicable after the cessation of hostilities as thus determined, the Secretary shall submit a complete report to the Congress on the construction and operations undertaken pursuant to this Act and shall submit his recommendations for whatever adjustments in project accounts and arrangements for the operations of projects need, in his judgment, be made by reason of activities undertaken pursuant to this Act.

SEC. 8. This Act may be cited as the "War-time Reclamation Act of 1943."

[H. R. 3019, 78th Cong., 1st Sess.]

A BILL To amend the Act of August 11, 1939 (53 Stat. 1418), as amended by the Act of October 14, 1940 (54 Stat. 1119), relating to water conservation and utilization projects

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last proviso of section 1 of the Act of August 11, 1939 (53 Stat. 1418), as amended (hereinafter referred to as the Act), is hereby amended to read as follows: "*And provided further*, That expenditures from appropriations made directly pursuant to the authority contained in section 12 (1) to meet reimbursable construction costs allocated to irrigation as defined in section 4 (b) shall not exceed \$2,000,000 for dams and reservoirs in any one project, and that expenditures from appropriations made directly pursuant to the authority contained in section 12 (1) to meet costs allocated to flood control by the Secretary after consultation with the Chief of Engineers, War Department, shall not exceed \$500,000 on any one project."

SEC. 2. Subparagraph (vii) of subsection 3 (a) of the Act is hereby amended to read as follows:

"(vii) The part of the estimated cost which can properly be allocated to flood control as recommended by the Secretary after consultation with the Chief of Engineers, War Department."

SEC. 3. Subsection 3 (b) of the Act is hereby amended to read as follows:

"(b) No actual construction of the physical features of a project shall be undertaken unless and until (1) the Secretary has found that lands, or interests in lands, deemed necessary for the construction and operation of the major

features of the project have been secured, or sufficient progress made in their procurement to indicate the probability that all these lands or interests in lands can be secured, with titles and at prices satisfactory to him; and (2) the Secretary has found (i) that water rights adequate for the purposes of the project have been acquired with titles and at prices satisfactory to him, or that such water rights have been initiated and in his judgment can be perfected in conformity with State law and any applicable interstate agreements and in a manner satisfactory to him; and (ii) that such water rights can be utilized for the purposes of the project in conformity with State law and any applicable interstate agreements and in a manner satisfactory to him."

SEC. 4. Section 3 of the Act is hereby amended by the addition of the following subsection:

"(c) Any part of a project hereunder may be designated as a division of the project by the Secretary if he, after consultation with the Secretary of Agriculture, deems this desirable for orderly and efficient construction or administration. The term 'project', as used in subsection 3 (b) and section 4, shall be deemed to mean also 'division of a project', designated as provided in this subsection. Any project authorized for construction from appropriations under the head 'Water Conservation and Utility Projects' in the Interior Department Appropriation Act, 1940 (53 Stat. 685), hereinafter called the 1940 water conservation appropriation, may be designated by the Secretary, upon agreement with the Secretary of Agriculture, a project under this Act and shall thereupon be subject to all the provisions and requirements thereof, except those of subsections 3 (a) and 3 (b)."

SEC. 5. Section 4 of the Act is hereby amended by the addition of the following subsection:

"(d) For each project, on which construction is commenced or continued under this subsection, appropriations heretofore or hereafter made pursuant to section 12 and the unexpended balance of the 1940 water-conservation appropriation, in addition to being available for other authorized objects of expenditure, shall be available for expenditure, by the agency to which available, in lieu of the 'services, labor, materials, or other property, including money,' authorized to be utilized under section 2 and subsection 5 (b). All expenditures on each such project may be excluded (1) from the project construction costs to the extent the Secretary finds necessary to keep the reimbursable costs within the findings made under subsection 3 (a) (iv), 3 (a) (v), and 3 (a) (vi), and (2) from the costs that but for this subsection would be required to be returned under section 5, to the extent deemed necessary by the Secretary of Agriculture for the successful prosecution of the project; and as to each such project the limitations on expenditures provided in sections 1 and 9 shall be inoperative. Appropriations made pursuant to section 12 shall be available for expenditures for continuation of construction on any project heretofore undertaken under the 1940 water-conservation appropriation, and such expenditures and those from the 1940 water-conservation appropriation may be excluded from the costs of any such project in determining the amounts required to be reimbursed, to the extent the Secretary and the Secretary of Agriculture jointly determine it necessary to keep reimbursable costs within the ability of the water users to repay. No project may be initiated for construction or, if heretofore authorized, continued under this subsection unless the Secretary, following consultation with the Secretary of Agriculture, finds that the proposed construction under this subsection is justifiable as an aid in the production of needed agricultural products and the President approves said finding. The utilization of services or labor of prisoners of war under section 2 is authorized, subject to the approval of, and regulations by, the War Department or other Federal agency having control of said prisoners. From and after the date six months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress, this subsection shall no longer be of any force or effect except as to projects on which construction has been initiated or continued under this subsection prior to said date."

SEC. 6. Section 5 of the Act is hereby amended by the addition of the following subsection:

"(e) Where the aggregate amount involved does not exceed \$300, the provisions of section 3709 of the Revised Statutes (41 U. S. C. 5) shall not apply to any purchase or service authorized for the Department of Agriculture under this Act or under the 1940 water-conservation appropriation."

WARTIME CONSTRUCTION AND OPERATION AND MAINTENANCE OF RECLAMATION PROJECTS

JUNE 24, 1943.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

Mr. ROBINSON of Utah, from the Committee on Irrigation and Reclamation, submitted the following

REPORT

[To accompany H. R. 3018]

The Committee on Irrigation and Reclamation, to whom was referred the bill (H. R. 3018) to authorize wartime construction and operation and maintenance of reclamation projects, having considered the same, report thereon with the unanimous recommendation that the bill do pass as amended.

The following amendments were adopted by the committee:

Page 1, line 11, after the word "for" insert the word "a" and strike the last letter of the word "periods".

Page 2, lines 16 to 23, change the period after the word "lands" to a colon, and strike out the following:

Municipal or miscellaneous water supply, electric power, or flood-control features may be constructed, operated, and maintained by the Secretary as incidental to and part of reclamation work undertaken pursuant to this Act. The authority of this Act shall be exercised by the Secretary in whatever manner and on whatever terms he determines to be most effective for wartime purposes:

Page 2, line 23, after the word "that" insert the word "no".

Page 2, line 24, strike the words "may, by the Secretary," and insert in lieu thereof the word "shall".

Page 2, line 25, strike the word "only" and insert in lieu thereof the words "except by and".

Page 3, line 1, strike the word "ostensible".

Page 6, strike lines 23, 24, and 25, and insert in lieu thereof the following:

The Secretary shall annually report to the Congress on constructions and operations under this act and, as soon as practicable after the cessation of hostilities as thus determined, the Secretary shall submit a complete report to the Congress on the construction and operations undertaken pursuant to this act.

The purpose of H. R. 3018 is to gear to current needs the legislative framework within which the reclamation program operates, so that reclamation work can be accomplished speedily, for wartime purposes and under wartime conditions. Recent developments have made it increasingly likely that the Bureau of Reclamation in the Department of the Interior will have an important part in the vitally necessary program for increased production of crops required in connection with the prosecution of the war.

On June 7, 1943, Mr. Chester Davis, War Food Administrator wrote to the Director of the Bureau of the Budget regarding the increasingly critical food shortage and the effective part irrigation developments could take in the essential program for coping with that shortage. In his letter, he stated in part as follows:

It is apparent that every effort must be made to increase agricultural production this year and for 1944, 1945, and 1946, since the demand for food is inevitably going to increase at a greater rate than our ability to produce it.

It should also be noted that food is in a category by itself insofar as the war and post-war situation is concerned. The minute the shooting stops, production of direct military items, such as ships, tanks, guns, airplanes, etc., can be suspended, but no such action can be taken with food. Unquestionably, the demand for it will be even greater for at least 2 years after the war has been won. The importance of the continuing post-war demand for food should not be minimized because of our ability to supply food to freed countries and even to the civilian populations of enemy countries in the immediate post-war period will have a vital bearing upon the chances for a lasting peace. It is essential to press into production every acre of land in the Nation that can safely be put to crop. Our present food-production resources in established areas already are operating at capacity; therefore, the only means of increasing the output would be through development which will permit more intensive cultivation. On the basis of present utilization of our land, what we produce this year will be close to the ceiling of our potential agricultural production, but it will not supply us with an exportable surplus large enough to satisfy all the overseas claims which we have a moral obligation to meet.

The 18 Western States afford many excellent opportunities for expanding production of the foods in greatest need, such as dry beans, dry peas, potatoes, and dairy products. Through the development of additional irrigation acreage, production of these foods can be increased in certain and stable amounts without in any way sacrificing the output of other essential crops and livestock products.

The War Food Administration currently is engaged in an analysis of potential irrigation developments. As fast as the analysis is completed of any project which in our judgment merits careful consideration from the standpoint of adding to our production capacity for essential war and post-war foods, it is submitted to the War Production Board with our recommendations. The material requirements for the construction of the projects on a wartime basis have been furnished the War Production Board by the Bureau of Reclamation. Chairman Donald Nelson has given me assurance that each project recommended for construction by the War Food Administration will be given prompt and serious consideration by the War Production Board.

In its report on the Interior appropriation bill, 1944, the House Committee on Appropriations urgently recommended—

that the War Production Board promptly reinvestigate and seriously consider allowing priorities which will permit resumption of work on some 23 reclamation projects which have been in a deferred status since last October.

That committee further urged—

that consideration be given to the desirability of undertaking a program of new and supplemental projects referred to by the Commissioner of Reclamation in his testimony.

Most of the 23 projects in a deferred status are regular reclamation projects which were undertaken pursuant to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof

or supplementary thereto). Many of the proposed new and supplemental projects which are under consideration would be undertaken pursuant to those laws. However, for such resumed and new construction on those projects as may be recommended by the War Food Administrator and provided with requisite priorities by the War Production Board, there must be provided a legislative framework that will serve the wartime purposes and that is geared to the wartime conditions.

H. R. 3018 was introduced in a form identical with a draft of bill transmitted by the Secretary of the Interior to Senator Hayden of the Senate Subcommittee on the Interior Appropriations bill. Secretary Ickes' letter of June 7, 1943, and the explanatory statement accompanying it were introduced in the record at the hearing on H. R. 3018. They read as follows:

DEPARTMENT OF THE INTERIOR,
Washington, June 7, 1943.

HON. CARL HAYDEN,
United States Senate.

MY DEAR SENATOR HAYDEN: On May 31, by your letter addressed to Acting Commissioner Bashore of the Bureau of Reclamation, you requested that he be prepared to discuss at the hearings before the Senate subcommittee on the Interior appropriation bill "possible legislation which might be required in order to expedite construction of irrigation facilities during the war." A draft of a bill authorizing wartime construction and operation and maintenance of reclamation projects is enclosed. Also enclosed is a statement which describes and explains the major provisions of the proposed legislation.

The importance of the reclamation program as a means for meeting in substantial part the extraordinary wartime requirements for food was clear enough to lead me last fall to protest strenuously against the closing down of project construction that was then under way. As the War Food Administration has stated, the most effective means of increasing the output of the foods in greatest need, such as dry beans and peas, potatoes, and dairy products, is through irrigation project development. The very recent flood damage suffered by agricultural areas in many States has aggravated the food shortages and has increased the urgency of resuming and expanding the reclamation program.

So that reclamation work may be accomplished speedily, for wartime purposes and under wartime conditions, the legislative framework within which the reclamation program operates should be geared to current needs. The enclosed draft of bill would serve that purpose. I hope that the Congress will promptly enact it so that the Bureau of Reclamation will be legislatively equipped to proceed with speed to carry out an important part of the vitally necessary program for increased production of crops required in connection with the prosecution of the war.

It has not been possible to obtain the views of the Bureau of the Budget upon the enclosed draft of bill prior to making it available for discussion before the Senate subcommittee on the Interior appropriation bill. The draft has been submitted to the Bureau of the Budget only very recently. Consequently, I am unable to advise whether the enactment of the bill would be in accordance with the program of the President.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

STATEMENT OF THE DEPARTMENT OF THE INTERIOR REGARDING H. R. 3018,
A BILL AUTHORIZING WARTIME CONSTRUCTION AND OPERATION AND MAINTENANCE OF RECLAMATION PROJECTS

The prime purpose of the bill is to move with speed in the construction and operation of irrigation storage, distribution, and drainage systems that will permit increased production of necessary crops. The War Food Administration knows what crops are necessary and has over-all charge of the food program. Accordingly, the bill would require, preliminary to any construction under its authority,

first, that the Secretary of the Interior make a determination of the engineering feasibility of the proposed work, make an estimate of its cost, and make a report to the Federal Food Administrator of the additional acreage which would be made productive by the proposed construction; and second, that the Federal Food Administrator certify that the work is necessary for crops required in the prosecution of the war. With these prerequisites having been met, the Secretary of the Interior would be authorized to proceed with the proposed construction work.

Under the bill, there could be both new construction and improvement of existing works, and work could be undertaken in connection with any project heretofore initiated under the Federal reclamation laws or the so-called Water Conservation and Utilization Project Act, as well as on any other federally or non-federally-owned lands. The authorization would specifically cover work on non-federally-owned lands, so that there could be the construction or improvement of distribution systems or drainage systems on non-Federal irrigation projects, without title to the necessary rights-of-way and other interests in lands and to the works being in the United States.

The bill would also authorize operation and maintenance of irrigation storage, distribution and drainage systems. It is likely that a wartime program on some of the existing projects under the jurisdiction of this Department, both on those that are completed and those that might be expanded under the proposed legislation, would require a method of operation varying from that contemplated in original plans for the projects and provided for, in some cases, in existing contracts with water users' organizations. For example, approximately 20,000 acres of land can be put under irrigation very quickly on the Roza division of the Yakima project by rushing to completion the construction of a distribution system on which work was stopped last fall by orders of the War Production Board. For wartime purposes, it might be practicable to have the additional acreage cultivated in large holdings and to require payment for the water delivery on a toll-charge basis. Such an arrangement would differ from that originally contemplated for the Poza division and from that provided for in the contract with the Roza Irrigation District. Consequently, it might prove to be necessary to make appropriate adjustments. However, such adjustments can best be left until after the war.

Accordingly, in section 7 of the bill it is provided that as soon as practicable after the cessation of hostilities, the Secretary of the Interior shall report to the Congress on the construction and operations undertaken pursuant to the bill and shall submit his recommendations for whatever adjustments in project accounts and arrangements for the operations of projects need, in his judgment, be made by reason of activities undertaken pursuant to the bill.

The need for such a report to Congress and for possible adjustment would exist also in connection with new construction or the continuation of construction heretofore commenced, due principally to wartime construction costs. Construction work performed in the last few years, such limited construction work as is proceeding now with the permission of the War Production Board, and such work as might be undertaken under the proposed legislation exceeds greatly in cost the expense of doing such work in peacetime. This Department and its Bureau of Reclamation are proud to have maintained, continuously for 41 years, a sound financial basis under the Federal reclamation program. It is not suggested that that principle of financial soundness be abandoned. It is, however, essential that the reclamation program in wartime be geared to proceed in accordance with wartime requirements. Just as the requirements for copper necessitate the construction at wartime costs of plant facilities to increase production, so do requirements for food require the construction at wartime costs of irrigation project works which will permit intensive cultivation of additional acreage for the production of necessary crops. This Department and its Bureau of Reclamation firmly believe that the Congress in considering adjustments, after having presented to it a report on the wartime activities of the Bureau, should and will adhere to the principle that water users shall repay to the United States whatever part of the construction costs that is within their ability to pay. With adherence to that principle, the Federal wartime investment in food production plant through works constructed by this Department would in substantial part be retained on the books of the Treasury as a financially sound account receivable.

The proposed bill would authorize this Department to clear, level and prepare lands for the distribution of irrigation water, but with regard to such work on non-federally owned land the authority would be expressly circumscribed so as to permit such work only with the consent of the ostensible owner and pursuant to a contract with such owner.

Full utilization of works undertaken pursuant to the proposed legislation, and provision of water and power supplies for war production, military establishments, and municipal needs may warrant miscellaneous water supply, power or flood control features as incidental to and a part of the reclamation works undertaken pursuant to the bill. Accordingly, such features would be authorized.

Section 2 of the bill makes it clear that this Department would have in its activities under the bill the same authority, in connection with the construction or operation and maintenance work undertaken pursuant to the bill, that it has in connection with projects undertaken pursuant to the Federal reclamation laws.

Section 3 would give an express authorization for the utilization of services or labor of prisoners of war, enemy aliens, and American-born Japanese subject to the approval of, and regulations by, the War Department or whatever other Federal agency may have control of such persons. If such labor were made available for work performed under the proposed legislation, it would meet a substantial part of the manpower requirements involved, and would permit the useful employment of such persons at work which, due to its character and geographical location, would make the task of maintaining adequate control over such persons comparatively simple.

Section 4 (a) deals expressly with the so-called excess-land problem. For wartime purposes, and limited to the period of the war and 1 year thereafter, there should be such legislative latitude as would permit large-scale operations on irrigation projects, by individuals or corporations. However, any such grant of legislative latitude should be coupled with an express reiteration of the basic reclamation purpose that the Federal reclamation program should provide for individual settlement of irrigated lands by qualified farmers and their families. That policy has been constant throughout the Federal reclamation laws from the date of the basic act, June 17, 1902, and while it is desirable that the Congress relax that policy for wartime purposes, any such relaxation should be coupled with a legislative direction that there shall be a return to the basic policy when hostilities in the present war have ceased and demobilization of the armed forces has commenced. The wartime relaxation provided for in the proposed bill is accompanied by such a direction.

Many Members of the Congress have already evidenced their interest in having the reclamation program serve again as it did after the First World War to provide opportunities for individuals to shift, with a minimum of economic and social dislocation, from the destructive business of war to the constructive business of developing farms productive of solid family life and economic self-sufficiency.

With an ultimate view to such a post-war purpose, but an immediate view to facilitating in some situations wartime irrigation and related farm operations, section 4 (b) would authorize the acquisition by purchase of farm lands in the area to be served by irrigation works. The authority proposed is not the broad one "to acquire," which has been construed to include the authority to condemn. It is limited to the authority to acquire "by purchase." There is no apparent occasion to condemn land for agricultural purposes. There may be, however, situations in which owners of sagebrush land, grazing, or dry-farming land would rather sell than engage in irrigation farming. Some owners of presently irrigated land may want to sell. In such situations there should be authority to buy from such owners. However, there is no apparent occasion for the Bureau of Reclamation to engage in the farming business. Consequently, section 4 (b) expressly provides that any such acquired lands shall be leased for the production of crops declared necessary by the War Food Administration and for related uses. Under section 1 any such lease may not be for a period longer than 5 years. Thus within a comparatively short period the acquired lands can be made available by the Congress for post-war farm settlement on an ownership basis.

Since the acquisition of any such lands would reduce the tax base of the State and local governments, section 5 would authorize agreements to make payments in lieu of taxes. As the land when developed by irrigation and returned to private ownership in the post-war period will be very substantially increased in taxable values by reason of the Federal investment and development, it is fair and adequate that the local tax bodies be made whole during the short period of Federal ownership. Section 5 provides therefore that the maximum amount of such payments shall be the amount of the tax imposed on any such property for the last year prior to the year in which the United States acquired such property. However, there may be some situations in which, due to the character of the previous use or the nonuse of such property in the past few years, the amount of the taxes has been disproportionately large, and the payments accordingly should be less than the maximum allowable. Also, it is possible that in some situations it would

be practicable and advisable to tie the amount of the payments in lieu of taxes to the receipt of lease rentals from the land in an amount at least sufficient to meet the payments. It might be practicable in some situations to group several holdings of acquired lands in agreements with the local tax bodies. The situations as regards this tax problem are sure to be varied, and accordingly there should be latitude in the authority granted so that the agreements can be varied to meet different situations, with the ceiling on any such payments as expressly set forth in the bill.

Under the authorization in section 6 for appropriations to carry out the purposes of the bill, there could be either lump-sum appropriations or appropriations separately for the various projects. All receipts in connection with operations under the bill would be covered into the Treasury to the credit of miscellaneous receipts, and accordingly there would have to be appropriations for all activities, including construction, operation and maintenance, and payments in lieu of taxes. It is probable that some of the receipts which would be placed to the credit of miscellaneous receipts would be such as under existing law would be covered into the reclamation fund. However, operations under the bill inevitably would involve many and various complications in accounting, particularly where construction or operations under the proposed legislation are undertaken in connection with a project heretofore initiated. Rather than expend the time and manpower involved in attempting to work out these complicated accounting problems at this time, it is believed that the best interests of the United States would be served by covering all receipts from operations under the bill into the Treasury to the credit of miscellaneous receipts and leaving necessary adjustments in accounting to determination by the Congress after the war.

Section 7 would limit the authority to commence construction under the authority of the bill to the period ending 1 year after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress.

In general, the bill would streamline the reclamation procedures so that the wartime job of the Bureau of Reclamation can be accomplished simply and speedily. Considerable discretionary authority would be provided. However, a frequent congressional check on the exercise of the authority granted would be effected at the time of congressional consideration of the appropriations that would be necessary to carry on the work. Furthermore, the final relation of what is done under the wartime act to the peacetime reclamation program would be a matter for congressional determination at an early date after the cessation of hostilities.

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H. K. 3018 was stricken from Consent Calendar on Oct. 18, 1943 (p. 8534);
last action as of Aug. 31, 1944.

78TH CONGRESS
1ST SESSION

H. R. 3018

[Report No. 598]

IN THE HOUSE OF REPRESENTATIVES

JUNE 22, 1943

Mr. WHITE introduced the following bill; which was referred to the Committee on Irrigation and Reclamation

JUNE 24, 1943

Reported with amendments, committed to the Committee of the Whole House on the state of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

Authorizing wartime construction and operation and maintenance of reclamation projects.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That for the purpose of increasing production of crops re-
4 quired in connection with the prosecution of the war, the
5 Secretary of the Interior (hereinafter called the "Secretary")
6 is authorized to construct or improve, and to operate and
7 maintain irrigation storage, distribution, and drainage sys-
8 tems and related facilities on federally or nonfederally
9 owned lands in the seventeen westernmost States; to clear,
10 level, and prepare such lands for distribution of irrigation

1 waters; and to lease, for ~~periods~~ *a period* not exceeding five
2 years, federally owned or controlled lands for the production
3 of such crops and for related uses. No construction of irriga-
4 tion storage, distribution, or drainage systems shall be under-
5 taken by the Secretary pursuant to this Act until he shall
6 have made (1) a determination of the engineering feasi-
7 bility of such work, (2) an estimate of the cost thereof, and
8 (3) a report to the Federal Food Administrator of the addi-
9 tional acreage which may be made productive thereby, and
10 until said Administrator shall have certified that said work
11 is necessary for the production of crops required in connec-
12 tion with the prosecution of the war. Activities pursuant to
13 this Act may be undertaken on lands in any project here-
14 tofore initiated under the Federal reclamation laws or the
15 so-called Water Conservation and Utilization Project Act of
16 August 11, 1939 (53 Stat. 1418), as amended, as well as on
17 any other federally or nonfederally owned lands.—Municipal
18 or miscellaneous water supply, electric power, or flood
19 control features may be constructed, operated, and main-
20 tained by the Secretary as incidental to and part of reclama-
21 tion work undertaken pursuant to this Act. The authority
22 of this Act shall be exercised by the Secretary in whatever
23 manner and on whatever terms he determines to be most
24 effective for wartime purposes: *Provided*, That no nonfed-
25 erally owned lands may, by the Secretary, *shall* be cleared,

1 leveled, or prepared for distribution of irrigation water
2 ~~only~~ *except by and* with the consent of the ~~ostensible~~ owner
3 and pursuant to contract therefor with said owner.

4 SEC. 2. (a) In connection with any construction or
5 operation and maintenance pursuant to the provisions of this
6 Act, the Secretary shall have the same authority, with regard
7 to the utilization of lands owned by the United States, as he
8 has in connection with projects undertaken pursuant to the
9 Federal reclamation laws, Act of June 17, 1902 (32 Stat.
10 388), and Acts amendatory thereof or supplementary thereto.

11 (b) In connection with investigations, construction, or
12 operation and maintenance undertaken pursuant to the au-
13 thority of this Act, the Secretary shall have with respect to
14 construction contracts, purchase of supplies and equipment,
15 procurement of services, and the expenditure of contributed
16 funds; with respect to the acquisition, exchange, and disposi-
17 tion of lands, interests in lands, water rights, and other prop-
18 erty and the relocation thereof; and with respect to other
19 matters relating to such investigations, construction, or opera-
20 tion and maintenance, the same authority, including authority
21 to acquire lands and interests in lands and water rights with
22 titles and at prices satisfactory to him, which he has in con-
23 nection with projects under the Federal reclamation laws.

24 (c) The provisions of subsections (a) and (b) of this
25 section are cumulative to all other existing authority and

1 shall not be deemed, nor operate as, limitations on the
2 authority provided elsewhere in this Act. Wherever in this
3 Act functions, powers, or duties are conferred upon the
4 Secretary, said functions, powers, or duties may be per-
5 formed, exercised, or discharged by his duly authorized
6 representatives.

7 SEC. 3. The utilization of services or labor of prisoners
8 of war, enemy aliens, and American-born Japanese in con-
9 nection with work undertaken pursuant to the authority of
10 this Act is authorized, subject to the approval of, and
11 regulations by, the War Department or other Federal agency
12 having control of such persons.

13 SEC. 4. (a) In connection with any irrigation project
14 under the Secretary's jurisdiction, and in connection with
15 any irrigation storage or distribution works constructed
16 pursuant to the authority of this Act, delivery of water may,
17 until one year after the cessation of hostilities determined
18 in accordance with section 7, be made to or for lands of
19 whatever acreage held in single ownership, corporate or
20 otherwise, the Secretary determines to be proper for war-
21 time purposes, without regard to restrictions in existing
22 laws or contracts. Any delivery of water hereunder to
23 land in excess of one hundred and sixty acres of irrigable
24 land or smaller-sized farm units established under the Fed-
25 eral reclamation laws, owned by any one landowner shall

1 not entitle the landowner or anyone holding under him
2 or anyone receiving water service for said excess land to
3 continuation of water deliveries to or for said excess land
4 after the date one year after the cessation of hostilities deter-
5 mined in accordance with section 7, it being the hereby
6 declared policy of the Congress that settlement and opera-
7 tion of federally irrigated lands by qualified farmers and
8 their families is the basic reclamation purpose of the United
9 States, and that the operations by the Secretary under this
10 Act shall be directed to the effective carrying out of that
11 basic purpose when hostilities in the present war have ceased
12 and demobilization of the armed forces has commenced.

13 (b) The Secretary is hereby authorized, for purposes of
14 irrigation farming and related uses to acquire by purchase
15 lands within the area served by any project under his juris-
16 diction, or to be served by irrigation or distribution works
17 constructed pursuant to the authority of this Act: *Provided*,
18 That any such acquired lands shall be leased by the Sec-
19 retary pursuant to the provisions of section 1 for the pro-
20 duction of crops declared necessary by the War Food Admin-
21 istration and for related uses.

22 SEC. 5. The Secretary may enter into agreements to pay
23 annual sums in lieu of taxes to any State or political sub-
24 division thereof with respect to any real property situated
25 therein after it is acquired pursuant to the authority of sec-

tion 4 (b) of this Act: *Provided*, That the amount so paid for any year upon any such property shall not, in any event, exceed the amount of the taxes imposed on such property for the year last prior to the year in which the United States acquired such property.

SEC. 6. There is hereby authorized to be appropriated, out of any money in the Treasury not other appropriated, such sums of money as may be necessary to carry out the provisions of this Act, including investigations and surveys of work proposed pursuant to this Act; and, from such sums appropriated, expenditures may be made for personal services in the District of Columbia and may be made for all objects of expenditure that are specified in the Interior Department Appropriation Act, 1944, under the caption "Bureau of Reclamation, Administrative Provisions and Limitations", without regard to the amounts of the limitations therein set forth. All receipts from operations under this Act shall be covered into the Treasury to the credit of miscellaneous receipts.

SEC. 7. No construction of a project or division of a project shall be commenced pursuant to the authority of this Act from and after the date one year after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress. As soon as practicable after the cessation of hostilities as thus determined, the Secretary shall report to the Congress on the

1 construction and operations undertaken pursuant to this Act
2 *The Secretary shall annually report to the Congress on*
3 *constructions and operations under this Act and, as soon as*
4 *practicable after the cessation of hostilities as thus determined,*
5 *the Secretary shall submit a complete report to the Congress*
6 *on the construction and operations undertaken pursuant to*
7 *this Act* and shall submit his recommendations for whatever
8 adjustments in project accounts and arrangements for the
9 operations of projects need, in his judgment, be made by
10 reason of activities undertaken pursuant to this Act.

11 SEC. 8. This Act may be cited as the "Wartime
12 Reclamation Act of 1943."

78TH CONGRESS
1ST SESSION

H. R. 3018

[Report No. 598]

A BILL

Authorizing wartime construction and operation and maintenance of reclamation projects.

By Mr. WHITE

JUNE 22, 1943

Referred to the Committee on Irrigation and Reclamation

JUNE 24, 1943

Reported with amendments, committed to the Committee of the Whole House on the state of the Union, and ordered to be printed

AMENDMENT TO GREAT PLAINS ACT

JUNE 24, 1943.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

Mr. ROBINSON of Utah, from the Committee on Irrigation and Reclamation, submitted the following

REPORT

[To accompany H. R. 3019]

The Committee on Irrigation and Reclamation, to whom was referred the bill (H. R. 3019) to amend the act of August 11, 1939 (53 Stat. 1418), as amended by the act of October 14, 1940 (54 Stat. 1119), relating to water conservation and utilization projects, having considered the same, report thereon with the unanimous recommendation that the bill do pass.

The act of August 11, 1939, as amended, which is popularly known as the Wheeler-Case Act, provides for the construction and operation of water-conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States. Irrigation projects in those areas are urgently needed as a means of expanding agricultural production to meet in part the critical food shortage.

In connection with the food shortage, Mr. Chester Davis, War Food Administrator, in a letter to the Director of the Bureau of the Budget on June 7, 1943, stated in part as follows:

It is apparent that every effort must be made to increase agricultural production this year and for 1944, 1945, and 1946, since the demand for food is inevitably going to increase at a greater rate than our ability to produce it.

It should also be noted that food is in a category by itself insofar as the war and post-war situation is concerned. The minute the shooting stops, production of direct military items, such as ships, tanks, guns, airplanes, etc., can be suspended, but no such action can be taken with food. Unquestionably, the demand for it will be even greater for at least 2 years after the war has been won. The importance of the continuing post-war demand for food should not be minimized because our ability to supply food to freed countries and even to the civilian populations of enemy countries in the immediate post-war period will have a vital bearing upon the chances for a lasting peace. It is essential to press into production every acre of land in the Nation that can safely be put to crop. Our present food-production resources in established areas already are operating at capacity; therefore, the only means of increasing the output would be through development which will permit more intensive cultivation. On the basis of

present utilization of our land, what we produce this year will be close to the ceiling of our potential agricultural production, but it will not supply us with an exportable surplus large enough to satisfy all the overseas claims which we have a moral obligation to meet.

The 18 Western States afford many excellent opportunities for expanding production of the foods in greatest need, such as dry beans, dry peas, potatoes, and dairy products. Through the development of additional irrigation acreage, production of these foods can be increased in certain and stable amounts without in any way sacrificing the output of other essential crops and livestock products.

The War Food Administration currently is engaged in an analysis of potential irrigation developments. As fast as the analysis is completed of any project which in our judgment merits careful consideration from the standpoint of adding to our production capacity for essential war and post-war foods, it is submitted to the War Production Board with our recommendations. The material requirements for the construction of the projects on a wartime basis have been furnished the War Production Board by the Bureau of Reclamation. Chairman Donald Nelson has given me assurance that each project recommended for construction by the War Food Administration will be given prompt and serious consideration by the War Production Board.

In its report on the Interior Department appropriation bill, 1944, the House Committee on Appropriations urgently recommended—

that the War Production Board promptly reinvestigate and seriously consider allowing priorities which will permit resumption of work on some 23 reclamation projects which have been in a deferred status since last October.

That committee further urged—

that consideration be given to the desirability of undertaking a program of new and supplemental projects referred to by the Commissioner of Reclamation in his testimony.

Some of the projects in a deferred status, and some of the new and supplemental projects being considered, are Wheeler-Case projects. However, the Wheeler-Case Act must be amended if it is to be geared for wartime operations under wartime conditions.

Sections 1, 2, 3, 4, and 6 of H. R. 3019 would provide desirable permanent amendments of the Wheeler-Case Act, which would facilitate the construction and administration of the projects.

Section 5 would provide for the use of appropriated moneys in lieu of "services, labor, materials, or other property, including money," which heretofore have been supplied and cannot now be supplied on those projects by the Work Projects Administration or the Civilian Conservation Corps. By the terms of section 5 the use of appropriated money for such purpose would be limited to the projects on which construction is continued or initiated under section 5 during the present war and 6 months thereafter.

Of course, construction of the deferred projects cannot be resumed, nor can construction of new projects be initiated, unless and until the War Production Board gives clearance and provides the necessary priorities for materials. But the War Food Administrator has already recommended to the War Production Board that construction on three Wheeler-Case projects be resumed, and data supplied by the Bureau of Reclamation on other projects is now being analyzed by the War Food Administrator.

Enactment of H. R. 3019 would provide legislative equipment that would permit and facilitate the construction, under present conditions, of such Wheeler-Case projects as may be assigned a part in the vitally necessary program for increased production of crops required in the prosecution of the war.

Further explanation of the provisions of H. R. 3019 is contained in the letter of the Secretary of the Interior stating the views of the Department of the Interior on H. R. 3019, which reads as follows:

THE SECRETARY OF THE INTERIOR,
Washington, June 22, 1943.

HON. COMPTON I. WHITE,
Chairman, Committee on Irrigation and Reclamation.

MY DEAR MR. WHITE: Reference is made to your letter of June 22, requesting a report by this Department on H. R. 3019, a bill to amend the act of August 11, 1939 (53 Stat. 1418), as amended, relating to water conservation and utilization projects. That act is popularly known as the Wheeler-Case Act.

I recommend enactment of this bill.

When first enacted in 1939 and when substantially amended in 1940, the Wheeler-Case Act was designed particularly with a view to utilization on water conservation and utilization projects of labor and services to be supplied by the Work Projects Administration and the Civilian Conservation Corps. With the problem of manpower reversed by the Nation's war requirements, from one in which it was necessary to find useful work projects for the unemployed to the present one in which it is necessary to ration the Nation's limited supply of manpower and materials among war production and activities that support the war program, the construction of these projects was very substantially curtailed.

It is now widely recognized that the Nation needs as great an increase as possible in agricultural production. It is particularly important that the production of food be increased in the Western States where heavy increases in population have occurred due to war production and military developments. Projects constructed under the Wheeler-Case Act could provide a considerable increase in agricultural production in the West.

However, for the water conservation and utilization projects on which construction may be resumed or initiated during the period of the war, and for such projects as are now being constructed with the permission of the War Production Board, there needs to be special legislative provision to take care of the abnormally high costs of the war period and to provide a substitute for the contributed labor and services which no longer can be supplied by the Work Projects Administration or the Civilian Conservation Corps.

Section 5 of the attached draft of bill would make such provision. It would permit the expenditure of appropriated money in lieu of "services, labor, materials, or other property, including money," supplied by the Work Projects Administration or Civilian Conservation Corps. It would not modify the requirements of the existing law—that the water users shall repay to the United States that part of the project costs properly allocable to irrigation which is within their ability to pay, as found by the Secretary of the Interior, and that any municipal or miscellaneous water supply or power features of a project shall be charged with that part of the costs which properly can be allocated to municipal or miscellaneous water supplies or power and probably be returned to the United States in revenues therefrom. The project costs in excess of these reimbursable items would be nonreimbursable, just as under the existing law the costs of services, labor, etc., supplied by the Work Projects Administration or the Civilian Conservation Corps are nonreimbursable to the extent they cannot be included in the amounts found to be reimbursable.

The proposal to expend nonreimbursable moneys in lieu of services, labor, etc., heretofore supplied by the Work Projects Administration and the Civilian Conservation Corps would be appropriate only if found justifiable as an aid in the production of needed agricultural products. Accordingly, a finding to that effect, approved by the President (following the authorization procedure of the existing law) would be required before the provisions of section 5 could be invoked. In recognition of the special wartime conditions that make such provisions necessary, section 5 expressly provides that upon the expiration of the present war and 6 months thereafter, that section shall no longer be of any force and effect, except as to such projects on which construction has been initiated or continued under that section during said period.

An additional matter should be noted. It is possible that there may be in this country, in the near future, thousands of prisoners of war captured overseas from the enemies of this Nation. Their labor and services could be utilized in the construction of water conservation and utilization projects, carefully selected for geographical locations removed from vital areas. To some extent it might be

practicable to use their labor and services in farming operations. It is not, of course, for me to determine what use should be made of prisoners of war who may be brought to this country. However, I think it is proper for me to suggest that we prepare to utilize the labor and services of prisoners of war on such projects, if found to be appropriate by the War Department or whatever Federal agency has control of the prisoners. Section 5 would make the special war-period provisions necessary for construction of such projects in these times, and the same section also would expressly authorize the utilization of services or labor of prisoners of war on such projects, subject to the approval of, and regulations by, the War Department or other Federal agency having control of said prisoners.

The other five sections of the enclosed draft would provide desirable permanent amendments of the Wheeler-Case Act.

Section 1 would increase from \$1,000,000 to \$2,000,000 the amount of money appropriated pursuant to the act which may be used to meet reimbursable construction costs allocated to irrigation. This is desirable in view of rising prices and experience gained since 1940 in determining the size of projects that practically can be undertaken pursuant to the act.

Section 2 is a perfecting amendment which would conform a subparagraph of section 3 of the existing law to the amendment of section 1 made by the act of March 7, 1942 (Public Law No. 488, 77th Cong., 2d sess.), dealing with flood-control allocations on these projects.

Section 3 would permit a part of a project to be designated as a "division of the project" and undertaken separately if such procedure is desirable for orderly and efficient construction or administration.

Section 4 would permit construction of a project to be commenced when satisfactory progress has been made in securing of the lands or interests in lands deemed necessary for the construction and operation of the major features of the project. The existing law requires that such lands or interests in lands must have been secured before such construction may be commenced. Experience gained in the last 2 years has shown that the existing requirement is so rigid that it occasions uneconomical delays in the work on a project, once it has been authorized for undertaking.

Section 6 would authorize the Department of Agriculture to make open-market purchases up to \$300 in connection with its work on these projects. The Department of Agriculture at present has a limit of \$50 on such purchases and truly needs the same authority as the Bureau of Reclamation has under existing law (sec. 13 of the Reclamation Project Act of 1939, 53 Stat. 1187, and sec. 10 of the Wheeler-Case Act).

It should also be noted that in sections 4 and 5 of the attached draft there are provisions for covering the so-called "\$5,000,000 item" projects under the provisions of the Wheeler-Case Act, and for handling such projects under the special war-period provisions of section 5. That "\$5,000,000 item" appears under the heading "Water conservation and utility projects" in the Interior Department Appropriation Act, 1940 (53 Stat. 685, 719). Without substantive authority, it appropriated money for the construction of projects like those subsequently authorized by the Wheeler-Case Act. For orderly administration and accounting, there should be authority for handling these "\$5,000,000 item" projects in accordance with pertinent provisions of the Wheeler-Case Act.

I have not been able to obtain the views of the Bureau of the Budget on the proposed legislation prior to making this report for consideration at the hearing on the bill, which I understand you plan to hold this month. Consequently, I am unable to advise whether the enactment of the bill would be in accordance with the program of the President.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

In compliance with clause 2a of rule XIII of the Rules of the House of Representatives, there is printed herewith in parallel columns the text of provisions of existing law which would be amended by the various provisions of the bill.

EXISTING LAW

SECTION 1. For the purpose of stabilizing water supply and thereby rehabilitating farmers on the land and providing opportunities for permanent settlement of farm families, the Secretary of the Interior (hereinafter referred to as "the Secretary") is hereby authorized to investigate and, upon compliance with the provisions of this Act, to construct water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States, and to operate and maintain each such project in accordance with the provisions of this Act: *Provided*, That the United States shall retain title to the dams, reservoirs, irrigation, and other project works until Congress otherwise provides: *And provided further*, That expenditures from appropriations made directly pursuant to the authority contained in section 12 (1) to meet reimbursable construction costs allocated to irrigation as defined in section 4 (b) shall not exceed \$1,000,000 for dams and reservoirs in any one project, and that expenditures from appropriations made directly pursuant to the authority contained in section 12 (1) to meet costs allocated to flood control by the Secretary after consultation with the Chief of Engineers, War Department, shall not exceed \$500,000 on any one project.

SEC. 3. (a) No construction of a project may be undertaken pursuant to the authority of this Act unless and until the Secretary has made an investigation thereof and has submitted to the President his report and findings on—

(i) the engineering feasibility of the proposed construction;

(ii) the estimated cost of the proposed construction;

(iii) the part of the estimated cost which properly can be allocated to irrigation;

(iv) the part of the estimated cost which probably can be repaid by the water users in accordance with the requirements of section 4;

(v) the part of the estimated cost which can properly be allocated to municipal or miscellaneous water supplies or power and probably be returned to the United States in revenues therefrom;

(vi) the part of the estimated cost which can properly be allocated to the irrigation of Indian trust and tribal lands, and be repayable in accordance with existing law relating to Indian lands;

(vii) the part of the estimated cost which can properly be allocated to flood control as recommended by the Chief of Engineers, War Department.

THE BILL

That the last proviso of section 1 of the Act of August 11, 1939 (53 Stat. 1418), as amended (hereinafter referred to as the Act), is hereby amended to read as follows: "*And provided further*, That expenditures from appropriations made directly pursuant to the authority contained in section 12 (1) to meet reimbursable construction costs allocated to irrigation as defined in section 4 (b) shall not exceed \$2,000,000 for dams and reservoirs in any one project, and that expenditures from appropriations made directly pursuant to the authority contained in section 12 (1) to meet costs allocated to flood control by the Secretary after consultation with the Chief of Engineers, War Department shall not exceed \$500,000 on any one project."

SEC. 2. Subparagraph (vii) of subsection 3 (a) of the Act is hereby amended to read as follows:

"(vii) The part of the estimated cost which can properly be allocated to flood control as recommended by the Secretary after consultation with the Chief of Engineers, War Department."

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(b) No actual construction of the physical features of a project, which meets the requirements of subsection (a) shall be undertaken unless and until (1) rights-of-way and other interests in land deemed by the Secretary to be necessary for the construction and operation of the major features of the project works have been secured, with titles or easements and at prices satisfactory to the Secretary; and (2) the Secretary has found (i) that water rights adequate for the purposes of the project have been acquired with titles and at prices satisfactory to him, or have been initiated and can be perfected in conformity with State law and any applicable interstate agreements and in a manner satisfactory to him; and (ii) that such water rights can be utilized for the purposes of the project in conformity with State law and any applicable interstate agreements and in a manner satisfactory to him.

THE BILL.

SEC. 3. Subsection 3 (b) of the Act is hereby amended to read as follows:

"(b) No actual construction of the physical features of a project shall be undertaken unless and until (1) the Secretary has found that lands, or interests in lands, deemed necessary for the construction and operation of the major features of the project have been secured, or sufficient progress made in their procurement to indicate the probability that all these lands or interests in lands can be secured, with titles and at prices satisfactory to him; and (2) the Secretary has found (i) that water rights adequate for the purposes of the project have been acquired with titles and at prices satisfactory to him, or that such water rights have been initiated and in his judgment can be perfected in conformity with State law and any applicable interstate agreements and in a manner satisfactory to him; and (ii) that such water rights can be utilized for the purposes of the project in conformity with State law and any applicable interstate agreements and in a manner satisfactory to him."

SEC. 4. Section 3 of the Act is hereby amended by the addition of the following subsection:

"(c) Any part of a project hereunder may be designated as a division of the project by the Secretary if he, after consultation with the Secretary of Agriculture, deems this desirable for orderly and efficient construction or administration. The term 'project', as used in subsection 3 (b) and section 4, shall be deemed to mean also 'division of a project', designated as provided in this subsection. Any project authorized for construction from appropriations under the head 'Water Conservation and Utility Projects' in the Interior Department Appropriation Act, 1940 (53 Stat. 685), hereinafter called the 1940 water conservation appropriation, may be designated by the Secretary, upon agreement with the Secretary of Agriculture, a project under this Act and shall thereupon be subject to all the provisions and requirements thereof, except those of subsections 3 (a) and 3 (b)."

SEC. 4. (a) No water for irrigation may be delivered from the works of any project constructed under the authority of this Act until after the repayment contract or contracts required by this section have been executed. Where practicable in the judgment of the Secretary, the repayment contract shall be with a water users' organization or organizations satisfactory in form and powers to the Secretary; and otherwise the repayment contract shall be with the individual landowners. The contract

SEC. 5. Section 4 of the Act is hereby amended by the addition of the following subsection:

"(d) For each project, on which construction is commenced or continued under this subsection, appropriations heretofore or hereafter made pursuant to section 12 and the unexpended balance of the 1940 water-conservation appropriation, in addition to being available for other authorized objects of expenditure, shall be available for expenditure, by the agency to which

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or contracts shall contain such provisions as the Secretary deems necessary to carry out the purposes of this Act and to protect the interests of the United States.

THE BILL

available, in lieu of the 'services, labor, materials, or other property, including money,' authorized to be utilized under section 2 and subsection 5 (b). All expenditures on each such project may be excluded (1) from the project construction costs to the extent the Secretary finds necessary to keep the reimbursable costs within the findings made under subsections 3 (a) (iv), 3 (a) (v), and 3 (a) (vi), and (2) from the costs that but for this subsection would be required to be returned under section 5, to the extent deemed necessary by the Secretary of Agriculture for the successful prosecution of the project; and as to each such project the limitations on expenditures provided in sections 1 and 9 shall be inoperative. Appropriations made pursuant to section 12 shall be available for expenditures for continuation of construction on any project heretofore undertaken under the 1940 water-conservation appropriation, and such expenditures and those from the 1940 water-conservation appropriation may be excluded from the costs of any such project in determining the amounts required to be reimbursed, to the extent the Secretary and the Secretary of Agriculture jointly determine is necessary to keep reimbursable costs within the ability of the water users to repay. No project may be initiated for construction or, if heretofore authorized, continued under this subsection unless the Secretary, following consultation with the Secretary of Agriculture, finds that the proposed construction under this subsection is justifiable as an aid in the production of needed agricultural products and the President approves said finding. The utilization of services or labor of prisoners of war under section 2 is authorized, subject to the approval of, and regulations by, the War Department or other Federal agency having control of said prisoners. From and after the date six months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress, this subsection shall no longer be of any force or effect except as to projects on which construction has been initiated or continued under this subsection prior to said date."

(b) The term "reimbursable construction costs" as used in this Act means that part of the costs of investigating, constructing, and operating and maintaining the project, which are allocated by the Secretary to irrigation, and which are met by expenditures of moneys therefor appropriated under the authority of section 12 (1), plus such amounts as the President, under sec-

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tion 2 (1), may determine to be reimbursable: *Provided*, That administrative expenses incurred in the District of Columbia in connection with the investigation, construction, or operation and maintenance of a project shall not be included in the reimbursable construction costs nor shall they be charged to the water users in any way.

(c) The repayment contract or contracts for a project shall, in their aggregate, provide for repayment to the United States of the total amount of the reimbursable construction costs of the project allocated to irrigation. Each such contract shall provide, among other things, that—

(1) The Secretary shall fix a development period for each project of not to exceed ten years from and including the first calendar year in which water is delivered for the lands in said project; and during the development period water shall be delivered to the lands in the project involved at a charge per acre-foot, or other charge, to be fixed by the Secretary each year and to be paid in advance of delivery of water. Such charges shall be fixed with a view of returning such amounts as in the Secretary's judgment are justified by the rate of project development, including as a minimum the return over the full development period of that part of the cost of operating and maintaining the project, during said period, allocated by the Secretary to irrigation; and collections of such charges in excess of the cost of the operation and maintenance during the development period, as thereafter determined by the Secretary, shall be credited to the reimbursable construction costs of the project in the manner determined by the Secretary.

(2) The United States shall operate and maintain the project during the development period fixed for it. After the development period, the United States shall operate and maintain the project or any part thereof as long as is deemed necessary by the Secretary, and shall be paid in advance for each year that part of the estimated cost of operating and maintaining the project for such year allocated by the Secretary to irrigation. In the event charges due the United States are not paid when due the United States may, at its election, suspend operations in whole or in part.

(3) The repayment of the reimbursable costs, except as to Indian lands which shall be repayable in accordance with existing law relating to Indian lands, shall be spread in not to exceed

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forty annual installments, of the number and amounts fixed by the Secretary; and the first annual installment under each contract shall become due and payable on the date fixed by the Secretary, in the year next following the last year of the development period fixed under subsection (c) (1): *Provided*, That the provisions of this subsection shall not be construed to modify the provisions of special legislation pertaining to any particular project.

(4) The water users or their organization will take such measures as the Secretary deems proper to secure the adoption of proper accounting, to protect the condition of project works, and to provide for the proper use thereof, and to protect project lands against deterioration due to improper use of water. Delinquencies in any payments due to the United States shall be penalized by a penalty of not less than one-half of 1 per centum per month. No water shall be delivered to or for any land or party while either said land or the organization in which it is located or said party is in arrears in the advance payment of operation and maintenance charges or development period charges under subsection (c) (1), or in arrears for more than twelve months in the payment of an installment of the reimbursable construction costs.

(5) The Secretary shall establish the size of farm units of irrigable lands on each project in accordance with his findings of the area sufficient in size for the support of a family on the lands to be irrigated. No water may be delivered to or for more than the farm unit area of irrigable lands in the project owned by a single landowner: *Provided*, That this subsection shall not apply to the United States or any agency or instrumentality thereof, corporate or otherwise. No water shall be delivered to or for any land, in a project area, transferred or disposed of subsequent to approval of the project by the President, and within three years from the time water becomes available, unless and until it has been shown to the satisfaction of the Secretary or his duly authorized representative that the land has been transferred or disposed of at a price not exceeding the appraised value as determined by the Secretary or his duly authorized representatives, and upon proof of fraudulent representation as to the true consideration involved the Secretary is authorized to cancel the water right attaching to the land involved: *Provided further*, That nothing herein shall be construed to create authority to interfere with the delivery of water under prior rights.

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SEC. 5. (a) In connection with the construction or operation and maintenance of projects undertaken pursuant to the authority of this Act, and in order to further in the Great Plains and arid and semiarid areas of the United States an effective rehabilitation program, stabilization of the agricultural economy and maximum utilization of funds spent for relief purposes, the Secretary of Agriculture is hereby authorized, pursuant to cooperative agreement with the Secretary of the Interior, (1) to arrange for the settlement of the projects on a sound agricultural basis, and insofar as practicable, the location thereon of persons in need; (2) to extend guidance and advice to settlers thereon in matters of farm practice, soil conservation and efficient land use; (3) to acquire agricultural lands within the boundaries of such projects, with titles and at prices satisfactory to him; and (4) to arrange for the improvement of lands within the project boundaries, including clearing, leveling, and preparing them for distribution of irrigation water. Contracts between the United States and water users or water users' organizations for the lease or purchase of, or the improvement of, lands within such projects shall provide for annual or semiannual payments to the United States, of the number and amounts fixed by the Secretary of Agriculture. The lease, purchase, or improvement contracts for each tract of land shall provide in the aggregate for the return, in not to exceed fifty years from the date the land is first settled upon, of the costs incurred by the United States in acquiring and improving such tract of land with funds appropriated under authority of section 12 (2), except administrative expenses incurred in the District of Columbia, together with interest on unpaid balances of said costs at not less than 3 per centum per annum. Such lease, purchase, or improvement contracts shall also provide for the fulfillment of such obligations related to reimbursable construction costs and operation and maintenance charges as may be applicable to such lands in accordance with the repayment contract or contracts required by section 4.

(b) For the purposes of this section, the Secretary of Agriculture may utilize (1) in such manner as the President may direct, services, labor, materials, or other property, including money, supplied by the Work Projects Administration, the Civilian Conservation Corps, the Office of Indian Affairs, the Department of Agriculture, or any other

SEC. 6. Section 5 of the Act is hereby amended by the addition of the following subsection:

"(c) Where the aggregate amount involved does not exceed \$300, the provisions of section 3709 of the Revised Statutes (41 U. S. C. 5) shall not apply to any purchase or service authorized for the Department of Agriculture under this Act or under the 1940 water-conservation appropriation."

EXISTING LAW

Federal agency to the extent that the President, upon the report and recommendations of the Secretary of Agriculture, finds that the same should be supplied in assistance of such improvement work, and for which the United States shall be reimbursed in such amounts as the President may fix for each project; and (2) such services, labor, materials, easements, or other property, including money, as may be contributed by any State or political subdivision thereof, State agency, municipal corporation, or other organization, or individuals. Moneys received and accepted under (2) of this subsection shall remain available for expenditure for the purposes for which contributed in like manner as if said sums had been specifically appropriated for said purposes.

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Union Calendar No. 216

78TH CONGRESS
1ST SESSION

H. R. 3019

[Report No. 597]

IN THE HOUSE OF REPRESENTATIVES

JUNE 22, 1943

Mr. WHITE introduced the following bill: which was referred to the Committee on Irrigation and Reclamation

JUNE 24, 1943

Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

A BILL

To amend the Act of August 11, 1939 (53 Stat. 1418), as amended by the Act of October 14, 1940 (54 Stat. 1119), relating to water-conservation and utilization projects.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the last proviso of section 1 of the Act of August 11,
4 1939 (53 Stat. 1418), as amended (hereinafter referred to
5 as the Act), is hereby amended to read as follows: "*And*
6 *provided further,* That expenditures from appropriations
7 made directly pursuant to the authority contained in section
8 12 (1) to meet reimbursable construction costs allocated to
9 irrigation as defined in section 4 (b) shall not exceed

1 \$2,000,000 for dams and reservoirs in any one project, and
2 that expenditures from appropriations made directly pur-
3 suant to the authority contained in section 12 (1) to meet
4 costs allocated to flood control by the Secretary after con-
5 sultation with the Chief of Engineers, War Department, shall
6 not exceed \$500,000 on any one project."

7 SEC. 2. Subparagraph (vii) of subsection 3 (a) of the
8 Act is hereby amended to read as follows:

9 "(vii) The part of the estimated cost which can prop-
10 erly be allocated to flood control as recommended by the
11 Secretary after consultation with the Chief of Engineers,
12 War Department."

13 SEC. 3. Subsection 3 (b) of the Act is hereby amended
14 to read as follows:

15 "(b) No actual construction of the physical features of
16 a project shall be undertaken unless and until (1) the Secre-
17 tary has found that lands, or interests in lands, deemed neces-
18 sary for the construction and operation of the major features
19 of the project have been secured, or sufficient progress made
20 in their procurement to indicate the probability that all these
21 lands or interests in lands can be secured, with titles and at
22 prices satisfactory to him; and (2) the Secretary has found
23 (i) that water rights adequate for the purposes of the project
24 have been acquired with titles and at prices satisfactory to
25 him, or that such water rights have been initiated and in his

1 judgment can be perfected in conformity with State law and
2 any applicable interstate agreements and in a manner satis-
3 factory to him; and (ii) that such water rights can be
4 utilized for the purposes of the project in conformity with
5 State law and any applicable interstate agreements and in a
6 manner satisfactory to him."

7 SEC. 4. Section 3 of the Act is hereby amended by the
8 addition of the following subsection:

9 "(c) Any part of a project hereunder may be designated
10 as a division of the project by the Secretary if he, after con-
11 sultation with the Secretary of Agriculture, deems this desir-
12 able for orderly and efficient construction or administration.
13 The term 'project', as used in subsection 3 (b) and section
14 4, shall be deemed to mean also 'division of a project', desig-
15 nated as provided in this subsection. Any project authorized
16 for construction from appropriations under the head 'Water
17 Conservation and Utility Projects' in the Interior Depart-
18 ment Appropriation Act, 1940 (53 Stat. 685), hereinafter
19 called the 1940 water conservation appropriation, may be
20 designated by the Secretary, upon agreement with the Secre-
21 tary of Agriculture, a project under this Act and shall there-
22 upon be subject to all the provisions and requirements thereof,
23 except those of subsections 3 (a) and 3 (b)."

24 SEC. 5. Section 4 of the Act is hereby amended by the
25 addition of the following subsection:

1 “(d) For each project, on which construction is com-
2 menced or continued under this subsection, appropriations
3 heretofore or hereafter made pursuant to section 12 and the
4 unexpended balance of the 1940 water-conservation appra-
5 priation, in addition to being available for other authorized
6 objects of expenditure, shall be available for expenditure,
7 by the agency to which available, in lieu of the ‘services,
8 labor, materials, or other property, including money,’ author-
9 ized to be utilized under section 2 and subsection 5 (b): All
10 expenditures on each such project may be excluded (1)
11 from the project construction costs to the extent the Secre-
12 tary finds necessary to keep the reimbursable costs within
13 the findings made under subsections 3 (a) (iv), 3 (a) (v),
14 and 3 (a) (vi), and (2) from the costs that but for this
15 subsection would be required to be returned under section 5,
16 to the extent deemed necessary by the Secretary of Agri-
17 cul ture for the successful prosecution of the project; and as
18 to each such project the limitations on expenditures provided
19 in sections 1 and 9 shall be inoperative. Appropriations
20 made pursuant to section 12 shall be available for expendi-
21 tures for continuation of construction on any project hereto-
22 fore undertaken under the 1940 water-conservation appro-
23 priation, and such expenditures and those from the 1940
24 water-conservation appropriation may be excluded from the
25 costs of any such project in determining the amounts required

1 to be reimbursed, to the extent the Secretary and the Secre-
2 tary of Agriculture jointly determine is necessary to keep
3 reimbursable costs within the ability of the water users to
4 repay. No project may be initiated for construction or, if
5 heretofore authorized, continued under this subsection unless
6 the Secretary, following consultation with the Secretary of
7 Agriculture, finds that the proposed construction under this
8 subsection is justifiable as an aid in the production of needed
9 agricultural products and the President approves said finding.
10 The utilization of services or labor of prisoners of war under
11 section 2 is authorized, subject to the approval of, and regu-
12 lations by, the War Department or other Federal agency
13 having control of said prisoners. From and after the date
14 six months after the cessation of hostilities in the present war
15 as determined by proclamation of the President or concurrent
16 resolution of the Congress, this subsection shall no longer be
17 of any force or effect except as to projects on which con-
18 struction has been initiated or continued under this subsection
19 prior to said date."

20 SEC. 6. Section 5 of the Act is hereby amended by the
21 addition of the following subsection:

22 "(c) Where the aggregate amount involved does not
23 exceed \$300, the provisions of section 3709 of the Revised
24 Statutes (41 U. S. C. 5) shall not apply to any purchase or

1 service authorized for the Department of Agriculture under
2 this Act or under the 1940 water-conservation appro-
3 priation.”

Union Calendar No. 216

78TH CONGRESS
1ST SESSION

H. R. 3019

[Report No. 597]

A BILL

To amend the Act of August 11, 1939 (53 Stat. 1418), as amended by the Act of October 14, 1940 (54 Stat. 1119), relating to water-conservation and utilization projects.

By Mr. WHITE

JUNE 22, 1943
Referred to the Committee on Irrigation and Reclamation

JUNE 24, 1943

Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

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WARTIME CONSTRUCTION AND OPERATION AND MAINTENANCE OF RECLAMATION PROJECTS

JUNE 29 (legislative day, MAY 24), 1943.—Ordered to be printed

Mr. McCARRAN, from the Committee on Irrigation and Reclamation,
submitted the following

REPORT

[To accompany S. 1257]

The Committee on Irrigation and Reclamation, to whom was referred the bill (S. 1257) to authorize wartime construction and operation and maintenance of reclamation projects, having considered the same, report thereon with the unanimous recommendation that the bill do pass as amended.

The following amendments were adopted by the committee:

Page 2, line 17, change the colon to a period and insert after the period the following:

Municipal or miscellaneous water supply, electric power, or flood-control features may be constructed, operated, and maintained by the Secretary as incident to and part of reclamation work undertaken pursuant to this Act: *Provided*, That no expenditures under the authority of this Act for the construction of any such feature shall be made except from an appropriation made specifically therefor. Charges for works undertaken and for irrigation, municipal and miscellaneous water supplies and electric power shall be on whatever terms the Secretary determines to be most effective for wartime purposes, and shall be covered in the annual report required of the Secretary in section 7.

Page 2, lines 17 and 18, strike the words "*Provided, That*" and capitalize the first letter in the word "no."

The purpose of S. 1257 is to gear to current needs the legislative framework within which the reclamation program operates, so that reclamation work can be accomplished speedily for wartime purposes and under wartime conditions. Recent developments have made it increasingly likely that the Bureau of Reclamation in the Department of the Interior will have an important part in the vitally necessary program for increased production of crops required in connection with the prosecution of the war.

The committee had the benefit of the House Report No. 598 on a similar wartime reclamation bill (H. R. 3018) and the Senate Report No. 319 on the Interior appropriation bill, 1944. These reports show

both the vital part that irrigation developments should take in the war food-production program and the need for a legislative framework that will serve the wartime reclamation purposes and that is geared to wartime conditions.

In connection with the Senate hearings on the Interior Department appropriation bill, 1944, Secretary Harold L. Ickes transmitted to Senator Hayden a draft of a wartime reclamation bill. S. 1257, as introduced, followed closely the departmental draft, but omitted some language deemed too broad and general in the scope of authority provided.

The Secretary of the Interior, in his letter of June 25, 1943, stated the views of the Department of Interior on S. 1257. He recommends enactment of S. 1257 if amended along the line of suggested amendments which were adopted by the committee. Bearing on the amendments, his letter reads, in part, as follows:

I think it is clear that municipal and miscellaneous water supplies, electric power, and flood-control features should be authorized to be undertaken under the wartime act as incidental to and part of reclamation work. Of course, no such feature, in fact no construction work under the proposed legislation, could be undertaken without priorities for materials granted by the War Production Board upon a determination by that organization that the proposed construction should be included in the war-production program.

* * * * *

My suggestion is merely this, but it is important: If and when such multiple-purpose features of reclamation projects are justifiable works in terms of war needs, it would be most unfortunate if authority to build them were not within the scope of a wartime reclamation act.

Such features on the four projects mentioned above (Anderson Ranch Dam, Boise project, Idaho; Lugert-Altus project, Oklahoma; Colorado-Big Thompson project, Colorado; and Provo River project, Utah) are already authorized and could be constructed to completion without the enactment of S. 1257. Those projects were found feasible under existing law and were undertaken prior to Pearl Harbor. However, actual costs of constructing them under wartime conditions far overrun the original estimates of costs. To the extent the features of those projects mentioned above are constructed in wartime for wartime purposes, I think they should be constructed within the scope of a wartime reclamation act. The Bureau of Reclamation and I do not want, ostrich-like, to hide our heads in the sands of pre-Pearl Harbor estimates of costs.

For such new work, not presently authorized, as might be undertaken pursuant to S. 1257, the necessity of the omitted language is far greater; it is almost imperative. Without such language the bill would be of doubtful usefulness in many instances.

If the Congress be uncertain of the propriety of building such features in wartime, I suggest that there be added a proviso that would prohibit expenditures under the authority of S. 1257 for the construction of any such feature except from an appropriation specifically made therefor. Thus specific consent of the Congress through specific appropriation, would be a prerequisite to the undertaking of any such feature under S. 1257.

S. 1257 does not carry any provision regarding the terms of charges for works constructed and for irrigation, municipal and miscellaneous water supplies and electric power that would be furnished under the bill (if multiple-purpose features were authorized). The officials of the Bureau of Reclamation, who prepared the draft of bill which I submitted to Senator Hayden on June 7, advised me that the situations they foresaw were so varied they were unable to draft any formula of general application. And they do not pretend to be able to foresee all of the situations they may be called on to meet in a wartime reclamation program. Consequently, they proposed the language which does not appear in S. 1257: "The authority of this Act shall be exercised by the Secretary in whatever manner and on whatever terms he determines to be most effective for wartime purposes." They have advised me that since S. 1257 is silent on the matter of charges, the charges probably could be made, if S. 1257 were enacted as introduced, on whatever terms were determined to be most effective for wartime purposes. I would, however,

very much want that matter made clear as a matter of legislative history if S. 1257 were so enacted.

The Bureau of Reclamation believes that the draft of general language submitted on June 7 is definitely preferable. However, it has prepared substitute language which is confined to the matter of charges and which might be preferred by the Congress if it be concerned about the generality of the language first proposed. The Bureau believes the substitute language would be adequate for the situation they foresee. I hope it would be adequate also in situations that no one can now foresee.

* * * * *

There would be little point in attempting a wartime reclamation program unless its legislative framework were adequate for wartime purposes that must be carried out in wartime conditions. Adequate legislation is necessary if reclamation development is to be utilized to the utmost in helping to meet the critical food shortage.

The committee are satisfied that the amendments, by requiring specific appropriations for the incidental features, give to the Congress a controlling part in determining whether any such feature should be undertaken pursuant to the Wartime Reclamation Act. Also for the language which was deemed too broad in scope, and which was therefore omitted from S. 1257 as introduced, the amendments substitute language that is confined to the matter of charges, and that requires an annual report to the Congress on charges made under the act. With these amendments the bill is in satisfactory form, and it merits prompt enactment.





Calendar No. 375

78TH CONGRESS
1ST SESSION

S. 1257

[Report No. 366]

IN THE SENATE OF THE UNITED STATES

JUNE 22 (legislative day, MAY 24), 1943

Mr. McCARRAN (for himself, Mr. HAYDEN, Mr. O'MAHONEY, Mr. CHAVEZ, and Mr. BUTLER) introduced the following bill; which was read twice and referred to the Committee on Irrigation and Reclamation

JUNE 29 (legislative day, MAY 24), 1943

Reported by Mr. McCARRAN, with amendments

2 -

A BILL

Authorizing wartime construction and operation and maintenance
of reclamation projects.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That for the purpose of increasing production of crops re-
4 quired in connection with the prosecution of the war, the
5 Secretary of the Interior (hereinafter called the "Secretary")
6 is authorized to construct or improve, and to operate and
7 maintain irrigation storage, distribution, and drainage systems
8 and related facilities on federally or nonfederally owned lands
9 in the seventeen westernmost States; to clear, level, and
10 prepare such lands for distribution of irrigation water; and



1 to lease, for a period not exceeding five years, federally
2 owned or controlled lands for the production of such crops
3 and for related uses. No construction of irrigation storage,
4 distribution, or drainage systems shall be undertaken by the
5 Secretary pursuant to this Act until he shall have made (1)
6 a determination of the engineering feasibility of such work,
7 (2) an estimate of the cost thereof, and (3) a report to
8 the Federal Food Administrator of the additional acreage
9 which may be made productive thereby, and until said
10 Administrator shall have certified that said work is neces-
11 sary for the production of crops required in connection with
12 the prosecution of the war. Activities pursuant to this Act
13 may be undertaken on lands in any project heretofore initi-
14 ated under the Federal reclamation laws or the so-called
15 Water Conservation and Utilization Project Act of August
16 11, 1939 (53 Stat. 1418), as amended, as well as on any
17 other federally or nonfederally owned ~~lands:~~ *lands. Municipal or miscellaneous water supply, electric power, or flood-*
18 *control features may be constructed, operated, and maintained*
19 *by the Secretary as incidental to and part of reclamation work*
20 *undertaken pursuant to this Act: Provided, That no expendi-*
21 *tures under the authority of this Act for the construction of*
22 *any such feature shall be made except from an appropriation*
23 *made specifically therefor. Charges for works undertaken*
24 *and for irrigation, municipal, and miscellaneous water sup-*
25

1 *plies and electric power shall be on whatever terms the Secre-*
2 *tary determines to be most effective for wartime purposes, and*
3 *shall be covered in the annual report required of the Secretary*
4 *in section 7. ~~Provided, That no~~ No nonfederally owned lands*
5 *shall be cleared, leveled, or prepared for distribution of irriga-*
6 *tion water except by and with the consent of the owner and*
7 *pursuant to contract therefor with said owner.*

8 SEC. 2. (a) In connection with any construction or
9 operation and maintenance pursuant to the provisions of this
10 Act, the Secretary shall have the same authority, with regard
11 to the utilization of lands owned by the United States, as he
12 has in connection with projects undertaken pursuant to the
13 Federal reclamation laws, Act of June 17, 1902 (32 Stat.
14 388), and Acts amendatory thereof or supplementary
15 thereto.

16 (b) In connection with investigations, construction, or
17 operation and maintenance undertaken pursuant to the au-
18 thority of this Act, the Secretary shall have with respect to
19 construction contracts, purchase of supplies and equipment,
20 procurement of services, and the expenditure of contributed
21 funds; with respect to the acquisition, exchange, and dis-
22 position of lands, interests in lands, water rights, and other
23 property and the relocation thereof; and with respect to other
24 matters relating to such investigations, construction, or opera-
25 tion and maintenance, the same authority, including author-

1 ity to acquire lands and interests in lands and water rights
2 with titles and at prices satisfactory to him, which he has in
3 connection with projects under the Federal reclamation laws.

4 (c) The provisions of subsections (a) and (b) of this
5 section are cumulative to all other existing authority and shall
6 not be deemed, nor operate as, limitations on the authority
7 provided elsewhere in this Act. Wherever in this Act func-
8 tions, powers, or duties are conferred upon the Secretary,
9 said functions, powers, or duties may be performed, exer-
10 cised, or discharged by his duly authorized representatives.

11 SEC. 3. The utilization of services or labor of prisoners
12 of war, enemy aliens, and American-born Japanese in con-
13 nection with work undertaken pursuant to the authority of
14 this Act is authorized, subject to the approval of, and regu-
15 lations by, the War Department or other Federal agency
16 having control of such persons.

17 SEC. 4. (a) In connection with any irrigation project
18 under the Secretary's jurisdiction, and in connection with
19 any irrigation storage or distribution works constructed pur-
20 suant to the authority of this Act, delivery of water may,
21 until one year after the cessation of hostilities determined in
22 accordance with section 7, be made to or for lands of what-
23 ever acreage held in single ownership, corporate or other-
24 wise, the Secretary determines to be proper for wartime
25 purposes, without regard to restrictions in existing laws or

1 contracts. Any delivery of water hereunder to land in excess
2 of one hundred and sixty acres of irrigable land or smaller-
3 sized farm units established under the Federal reclamation
4 laws, owned by any one landowner, shall not entitle the land-
5 owner or anyone holding under him or anyone receiving
6 water service for said excess land to continuation of water
7 deliveries to or for said excess land after the date one year
8 after the cessation of hostilities determined in accordance
9 with section 7, it being the hereby declared policy of the
10 Congress that settlement and operation of federally irrigated
11 lands by qualified farmers and their families is the basic
12 reclamation purpose of the United States, and that the oper-
13 ations by the Secretary under this Act shall be directed to
14 the effective carrying out of that basic purpose when hos-
15 tilities in the present war have ceased and demobilization of
16 the armed forces has commenced.

17 (b) The Secretary is hereby authorized, for purposes
18 of irrigation farming and related uses, to acquire by purchase
19 lands within the area served by any project under his juris-
20 diction, or to be served by irrigation or distribution works
21 constructed pursuant to the authority of this Act: *Provided*,
22 That any such acquired lands shall be leased by the Sec-
23 retary pursuant to the provisions of section 1 for the produc-
24 tion of crops declared necessary by the War Food Adminis-
25 tration and for related uses.

1 SEC. 5. The Secretary may enter into agreements to
2 pay annual sums in lieu of taxes to any State or political
3 subdivision thereof with respect to any real property situated
4 therein after it is acquired pursuant to the authority of sec-
5 tion 4 (b) of this Act: *Provided*, That the amount so paid
6 for any year upon any such property shall not, in any event,
7 exceed the amount of the taxes imposed on such property for
8 the year last prior to the year in which the United States
9 acquired such property.

10 SEC. 6. There is hereby authorized to be appropriated,
11 out of any money in the Treasury not otherwise appropriated,
12 such sums of money as may be necessary to carry out the
13 provisions of this Act, including investigations and surveys
14 of work proposed pursuant to this Act; and, from such
15 sums appropriated, expenditures may be made for personal
16 services in the District of Columbia and may be made for
17 all objects of expenditure that are specified in the Interior
18 Department Appropriation Act, 1944, under the caption
19 "Bureau of Reclamation, Administrative Provisions and
20 Limitations", without regard to the amounts of the limita-
21 tions therein set forth. All receipts from operations under
22 this Act shall be covered into the Treasury to the credit of
23 miscellaneous receipts.

24 SEC. 7. No construction of a project or division of a
25 project shall be commenced pursuant to the authority of this

1 Act from and after the date one year after the cessation of
2 hostilities in the present war as determined by proclamation
3 of the President or concurrent resolution of the Congress.
4 The Secretary shall annually report to the Congress on
5 constructions and operations under this Act and, as soon as
6 practicable after the cessation of hostilities as thus determined,
7 the Secretary shall submit a complete report to the Con-
8 gress on the construction and operations undertaken pursu-
9 ant to this Act and shall submit his recommendations for
10 whatever adjustments in project accounts and arrangements
11 for the operations of projects need, in his judgment, be made
12 by reason of activities undertaken pursuant to this Act.

13 SEC. 8. This Act may be cited as the "Wartime Recla-
14 mation Act of 1943".

A BILL

Authorizing wartime construction and operation and maintenance of reclamation projects.

By Mr. McCARRAN, Mr. HAYDEN, Mr. O'MAHONEY, Mr. CHAVEZ, and Mr. BUTLER

JUNE 22 (legislative day, May 24), 1943

Read twice and referred to the Committee on Irrigation and Reclamation

JUNE 29 (legislative day, May 24), 1943

Reported with amendments

AMENDMENT TO GREAT PLAINS ACT

JUNE 29 (legislative day MAY 24), 1943.—Ordered to be printed

Mr. McCARRAN, from the Committee on Irrigation and Reclamation,
submitted the following

REPORT

[To accompany S. 1252]

The Committee on Irrigation and Reclamation, to whom was referred the bill (S. 1252) to amend the act of August 11, 1931 (53 Stat. 1418), as amended by the act of October 14, 1940 (54 Stat. 1119), relating to water-conservation and utilization projects, having considered the same, report thereon with the unanimous recommendation that the bill do pass, with an amendment.

The following amendment was adopted by the committee: In line 2 of the title to the bill strike out the figure "119" and insert in lieu thereof the figure "1119".

The act of August 11, 1939, as amended, which is popularly known as the Wheeler-Case Act, provides for the construction and operation of water-conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States. Irrigation projects in those areas are urgently needed as a means of expanding agricultural production to meet in part the critical food shortage.

In connection with the food shortage, the War Food Administrator, in a letter to the Director of the Bureau of the Budget on June 7, 1943, stated in part as follows:

It is apparent that every effort must be made to increase agricultural production this year and for 1944 and 1945, since the demand for food is inevitably going to increase at a greater rate than our ability to produce it.

It should also be noted that food is in a category by itself insofar as the war and post-war situation is concerned. The minute the shooting stops, production of direct military items, such as ships, tanks, guns, airplanes, etc., can be suspended, but no such action can be taken with food. Unquestionably, the demand for it will be even greater for at least 2 years after the war has been won. The importance of the continuing post-war demand for food should not be minimized because our ability to supply food to freed countries and even to the civilian population of enemy countries in the immediate post-war period will have a vital bearing upon the chances for a lasting peace. It is essential to press into production every acre of land in the Nation that can safely be put to crop. Our present food-production resources in established areas already are

operating at capacity; therefore, the only means of increasing the output would be through development which will permit more intensive cultivation. On the basis of present utilization of our land, what we produce this year will be close to the ceiling of our potential agricultural production, but it will not supply us with an exportable surplus large enough to satisfy all the overseas claims which we have a moral obligation to meet.

The 18 Western States afford many excellent opportunities for expanding production of the foods in greatest need, such as dry beans, dry peas, potatoes, and dairy products. Through the development of additional irrigation acreage, production of these foods can be increased in certain and stable amounts without in any way sacrificing the output of other essential crops and livestock products.

The War Food Administration currently is engaged in an analysis of potential irrigation developments. As fast as the analysis is completed of any project which in our judgment merits careful consideration from the standpoint of adding to our production capacity for essential war and post-war foods, it is submitted to the War Production Board with our recommendations. The material requirements for the construction of the projects on a wartime basis have been furnished the War Production Board by the Bureau of Reclamation. Chairman Donald Nelson has given me assurance that each project recommended for construction by the War Food Administration will be given prompt and serious consideration by the War Production Board.

Some of the irrigation projects in a deferred status due to stop orders of the War Production Board, and some of the new and supplemental projects being considered, are Wheeler-Case projects. However, the Wheeler-Case Act must be amended if it is to be geared for wartime operations under wartime conditions.

Sections 1, 2, 3, 4, and 6 of S. 1252 would provide desirable permanent amendments of the Wheeler-Case Act, which would facilitate the construction and administration of the projects.

Section 5 would provide for the use of appropriated moneys in lieu of "services, labor, materials, or other property, including money," which heretofore have been supplied and cannot now be supplied on those projects by the Work Projects Administration or the Civilian Conservation Corps. By the terms of section 5 the use of appropriated money for such purpose would be limited to the projects on which construction is continued or initiated under section 5 during the present war and 6 months thereafter.

Of course, construction of the deferred projects cannot be resumed, nor can construction of the new projects be initiated, unless and until the War Production Board gives clearance and provides the necessary priorities for materials. But the War Food Administrator has already recommended to the War Production Board that construction on three Wheeler-Case projects be resumed, and data supplied by the Bureau of Reclamation on other projects is now being analyzed by the War Food Administrator.

Enactment of S. 1252 would provide legislative equipment that would permit and facilitate the construction, under present conditions, of such Wheeler-Case projects as may be assigned a part in the vitally necessary program for increased production of crops required in the prosecution of the war.

Further explanation of the provisions of S. 1252, is contained in the letter of the Secretary of the Interior stating the views of the Department of the Interior on S. 1252, which reads as follows:

INTERIOR DEPARTMENT,
Washington, June 25, 1943.

HON. J. H. BANKHEAD,

Chairman, Committee on Irrigation and Reclamation.

United States Senate.

MY DEAR SENATOR BANKHEAD: Reference is made to your letter of June 21, requesting a report by this Department on S. 1252, a bill to amend the act of August 11, 1939 (53 Stat. 1418), as amended, relating to water conservation and utilization projects. That act is popularly known as the Wheeler-Case Act.

I recommend enactment of this bill.

When first enacted in 1939 and when substantially amended in 1940, the Wheeler-Case Act was designed particularly with a view to utilization on water conservation and utilization projects of labor and services to be supplied by the Work Projects Administration and the Civilian Conservation Corps. With the problem of manpower reversed by the Nation's war requirements, from one in which it was necessary to find useful work projects for the unemployed to the present one in which it is necessary to ration the Nation's limited supply of manpower and materials among war production and activities that support the war program, the construction of these projects was very substantially curtailed.

It is now widely recognized that the Nation needs as great an increase as possible in agricultural production. It is particularly important that the production of food be increased in the western States where heavy increases in population have occurred due to war production and military developments. Projects constructed under the Wheeler-Case Act could provide a considerable increase in agricultural production in the West.

However, for the water conservation and utilization projects [on which construction may be resumed or initiated during the period of the war, and for such projects as are now being constructed with the permission of the War Production Board, there needs to be special legislative provision to take care of the abnormally high costs of the war period and to provide a substitute for the contributed labor and services which no longer can be supplied by the Work Projects Administration or the Civilian Conservation Corps.

Section 5 of S. 1252 would make such provision. It would permit the expenditure of appropriated money in lieu of "services, labor, materials, or other property, including money," supplied by the Work Projects Administration or Civilian Conservation Corps. It would not modify the requirements of the existing law—that the water users shall repay to the United States that part of the project costs properly allocable to irrigation which is within their ability to pay, as found by the Secretary of the Interior, and that any municipal or miscellaneous water supply or power features of a project shall be charged with that part of the costs which properly can be allocated to municipal or miscellaneous water supplies or power and probably be returned to the United States in revenues therefrom. The project costs in excess of these reimbursable items would be nonreimbursable, just as under the existing law the costs of services, labor, etc., supplied by the Work Projects Administration or the Civilian Conservation Corps are nonreimbursable to the extent they cannot be included in the amounts found to be reimbursable.

The proposal to expend nonreimbursable moneys in lieu of services, labor, etc., heretofore supplied by the Work Projects Administration and the Civilian Conservation Corps would be appropriate only if found justifiable as an aid in the production of needed agricultural products. Accordingly, a finding to that effect, approved by the President (following the authorization procedure of the existing law) would be required before the provisions of section 5 could be invoked. In recognition of the special wartime conditions that make such provisions necessary, section 5 expressly provides that upon the expiration of the present war and 6 months thereafter, that section shall no longer be of any force and effect, except as to such projects on which construction has been initiated or continued under that section during said period.

An additional matter should be noted. It is possible that there may be in this country, in the near future, thousands of prisoners of war captured overseas from the enemies of this Nation. Their labor and services could be utilized in the construction of water conservation and utilization projects, carefully selected for geographical locations removed from vital areas. To some extent it might be practicable to use their labor and services in farming operations. It is not, of course, for me to determine what use should be made of prisoners of war who may be brought to this country. However, I think it is proper for me to suggest

that we prepare to utilize the labor and services of prisoners of war on such projects, if found to be appropriate by the War Department or whatever Federal agency has control of the prisoners. Section 5 would make the special war-period provisions necessary for construction of such projects in these times, and the same section also would expressly authorize the utilization of services or labor of prisoners of war on such projects, subject to the approval of, and regulations by, the War Department or other Federal agency having control of said prisoners.

The other five sections of S. 1252 would provide desirable permanent amendments of the Wheeler-Case Act.

Section 1 would increase from \$1,000,000 to \$2,000,000 the amount of money appropriated pursuant to the act which may be used to meet reimbursable construction costs allocated to irrigation. This is desirable in view of rising prices and experience gained since 1940 in determining the size of projects that practically can be undertaken pursuant to the act.

Section 2 is a perfecting amendment which would conform a subparagraph of section 3 of the existing law to the amendment of section 1 made by the act of March 7, 1942 (Public Law No. 488, 77th Cong., 2d sess.), dealing with flood-control allocations on these projects.

Section 3 would permit construction of a project to be commenced when satisfactory progress has been made in securing of the lands or interests in lands deemed necessary for the construction and operation of the major features of the project. The existing law requires that such lands or interests in lands must have been secured before such construction may be commenced. Experience gained in the last 2 years has shown that the existing requirement is so rigid that it occasions uneconomical delays in the work on a project, once it has been authorized for undertaking.

Section 4 would permit a part of a project to be designated as a "division of the project" and undertaken separately if such procedure is desirable for orderly and efficient construction or administration.

Section 6 would authorize the Department of Agriculture to make open-market purchases up to \$300 in connection with its work on these projects. The Department of Agriculture at present has a limit of \$50 on such purchases and truly needs the same authority as the Bureau of Reclamation has under existing law (sec. 13 of the Reclamation Project Act of 1939, 53 Stat. 1187 and sec. 10 of the Wheeler-Case Act).

It should also be noted that in sections 4 and 5 of S. 1252 there are provisions for covering the so-called "\$5,000,000 item" projects under the provisions of the Wheeler-Case Act, and for handling such projects under the special war-period provisions of section 5. That "\$5,000,000 item" appears under the heading "Water conservation and utility projects" in the Interior Department Appropriation Act, 1940 (53 Stat. 685, 719). Without substantive authority, it appropriated money for the construction of projects like those subsequently authorized by the Wheeler-Case Act. For orderly administration and accounting, there should be authority for handling these "\$5,000,000 item" projects in accordance with pertinent provisions of the Wheeler-Case Act.

I have not been able to obtain the views of the Bureau of the Budget on the proposed legislation prior to making this report for consideration at the hearing on the bill, which I understand you plan to hold this month. Consequently, I am unable to advise whether the enactment of the bill would be in accordance with the program of the President.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

Calendar No. 374

78TH CONGRESS
1ST SESSION

S. 1252

[Report No. 365]

IN THE SENATE OF THE UNITED STATES

JUNE 22 (legislative day, MAY 24), 1943

Mr. McCARRAN (for himself and Mr. BUTLER) introduced the following bill; which was read twice and referred to the Committee on Irrigation and Reclamation

JUNE 29 (legislative day, MAY 24), 1943

Reported by Mr. McCARRAN, with an amendment

[Amend the title]

A BILL

To amend the Act of August 11, 1939 (53 Stat. 1418), as amended by the Act of October 14, 1940 (54 Stat. 119), relating to water conservation and utilization projects.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the last proviso of section 1 of the Act of August 11.
4 1939 (53 Stat. 1418), as amended (hereinafter referred to
5 as the Act), is hereby amended to read as follows: "*And*
6 *provided further,* That expenditures from appropriations
7 made directly pursuant to the authority contained in section
8 12 (1) to meet reimbursable construction costs allocated to
9 irrigation as defined in section 4 (b) shall not exceed

1 \$2,000,000 for dams and reservoirs in any one project, and
2 that expenditures from appropriations made directly pursuant
3 to the authority contained in section 12 (1) to meet costs
4 allocated to flood control by the Secretary after consultation
5 with the Chief of Engineers, War Department, shall not
6 exceed \$500,000 on any one project.”

7 SEC. 2. Subparagraph (vii) of subsection 3 (a) of the
8 Act is hereby amended to read as follows:

9 “(vii) The part of the estimated cost which can prop-
10 erly be allocated to flood control as recommended by the
11 Secretary after consultation with the Chief of Engineers,
12 War Department.”

13 SEC. 3. Subsection 3 (b) of the Act is hereby amended
14 to read as follows:

15 “(b) No actual construction of the physical features
16 of a project shall be undertaken unless and until (1) the
17 Secretary has found that lands, or interests in lands, deemed
18 necessary for the construction and operation of the major
19 features of the projects have been secured, or sufficient
20 progress made in their procurement to indicate the probabil-
21 ity that all these lands or interests in lands can be secured,
22 with titles and at prices satisfactory to him; and (2) the
23 Secretary has found (i) that water rights adequate for the
24 purposes of the project have been acquired with titles and
25 at prices satisfactory to him, or that such water rights have

1 been initiated and in his judgment can be perfected in con-
2 formity with State law and any applicable interstate agree-
3 ments and in a manner satisfactory to him; and (ii) that
4 such water rights can be utilized for the purposes of the
5 project in conformity with State law and any applicable
6 interstate agreements and in a manner satisfactory to him.”

7 SEC. 4. Section 3 of the Act is hereby amended by the
8 addition of the following subsection:

9 “(c) Any part of a project hereunder may be desig-
10 nated as a division of the project by the Secretary if he,
11 after consultation with the Secretary of Agriculture, deems
12 this desirable for orderly and efficient construction or adminis-
13 tration. The term ‘project’, as used in subsection 3 (b) and
14 section 4, shall be deemed to mean also ‘division of a proj-
15 ect’, designated as provided in this subsection. Any project
16 authorized for construction from appropriations under the
17 head ‘Water Conservation and Utility Projects’ in the Inte-
18 rior Department Appropriation Act, 1940 (53 Stat. 685),
19 hereinafter called the 1940 water conservation appropriation,
20 may be designated by the Secretary, upon agreement with
21 the Secretary of Agriculture, a project under this Act and
22 shall thereupon be subject to all the provisions and require-
23 ments thereof, except those of subsections 3 (a) and 3 (b).”

24 SEC. 5. Section 4 of the Act is hereby amended by the
25 addition of the following subsection:

1 “(d) For each project, on which construction is com-
2 menced or continued under this subsection, appropriations
3 heretofore or hereafter made pursuant to section 12 and the
4 unexpended balance of the 1940 water conservation appro-
5 priation, in addition to being available for other authorized
6 objects of expenditure, shall be available for expenditure,
7 by the agency to which available, in lieu of the ‘services,
8 labor, materials, or other property, including money’, author-
9 ized to be utilized under section 2 and subsection 5 (b).
10 All expenditures on each such project may be excluded (1)
11 from the project construction costs to the extent the Secre-
12 tary finds necessary to keep the reimbursable costs within
13 the findings made under subsections 3 (a) (iv), 3 (a) (v),
14 and 3 (a) (vi), and (2) from the costs that but for this
15 subsection would be required to be returned under section
16 5, to the extent deemed necessary by the Secretary of Agri-
17 culture for the successful prosecution of the project; and as
18 to each such project the limitations on expenditures provided
19 in sections 1 and 9 shall be inoperative. Appropriations
20 made pursuant to section 12 shall be available for expendi-
21 tures for continuation of construction on any project
22 heretofore undertaken under the 1940 water conservation
23 appropriation, and such expenditures and those from the
24 1940 water conservation appropriation may be excluded

1 from the costs of any such project in determining the amounts
2 required to be reimbursed, to the extent the Secretary and
3 the Secretary of Agriculture jointly determine is necessary
4 to keep reimbursable costs within the ability of the water
5 users to repay. No project may be initiated for construc-
6 tion or, if heretofore authorized, continued under this sub-
7 section unless the Secretary, following consultation with the
8 Secretary of Agriculture, finds that the proposed construction
9 under this subsection is justifiable as an aid in the produc-
10 tion of needed agricultural products and the President ap-
11 proves said finding. The utilization of services or labor of
12 prisoners of war under section 2 is authorized, subject to the
13 approval of, and regulations by, the War Department or
14 other Federal agency having control of said prisoners. From
15 and after the date six months after the cessation of hostilities
16 in the present war as determined by proclamation of the
17 President or concurrent resolution of the Congress, this sub-
18 section shall no longer be of any force or effect except as
19 to projects on which construction has been initiated or con-
20 tinued under this subsection prior to said date.”

21 SEC. 6. Section 5 of the Act is hereby amended by the
22 addition of the following subsection:

23 “(c) Where the aggregate amount involved does not
24 exceed \$300, the provisions of section 3709 of the Revised

1 Statutes (41 U. S. C. 5) shall not apply to any purchase
2 or service authorized for the Department of Agriculture under
3 this Act or under the 1940 water conservation appropriation."

Amend the title so as to read: "A bill to amend the Act
of August 11, 1939 (53 Stat. 1418), as amended by the
Act of October 14, 1940 (54 Stat. 1119), relating to water
conservation and utilization projects."

78TH CONGRESS
1ST Session

S. 1252

[Report No. 365]

A BILL

To amend the Act of August 11, 1939 (53 Stat. 1418), as amended by the Act of October 14, 1940 (54 Stat. 1119), relating to water conservation and utilization projects.

By Mr. McCARRAN and Mr. BUTLER

JUNE 22 (legislative day, May 24), 1943
Read twice and referred to the Committee on
Irrigation and Reclamation

JUNE 29 (legislative day, May 24), 1943
Reported with an amendment

WATER CONSERVATION AND UTILIZATION PROJECTS

**WARTIME CONSTRUCTION AND OPERATION OF
RECLAMATION PROJECTS**

HEARING

BEFORE THE

COMMITTEE ON IRRIGATION AND RECLAMATION

UNITED STATES SENATE

SEVENTY-EIGHTH CONGRESS

FIRST SESSION

ON

S. 1252

A BILL TO AMEND THE ACT OF AUGUST 11, 1939 (53 STAT. 1418),
AS AMENDED BY THE ACT OF OCTOBER 14, 1940 (54 STAT.
1119), RELATING TO WATER CONSERVATION AND
UTILIZATION PROJECTS

AND

S. 1257

A BILL AUTHORIZING WARTIME CONSTRUCTION
AND OPERATION AND MAINTENANCE OF
RECLAMATION PROJECTS

JUNE 29, 1943

Printed for the use of the Committee on Irrigation and Reclamation



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WATER CONSERVATION AND UTILIZATION PROJECTS— WARTIME CONSTRUCTION AND OPERATION OF RECLAMATION PROJECTS

TUESDAY, JUNE 29, 1943

UNITED STATES SENATE,
COMMITTEE ON IRRIGATION AND RECLAMATION,
Washington, D. C.

The committee met, pursuant to call, at 2 p. m., in the committee room of the Committee on the District of Columbia, United States Capitol, Senator Pat McCarran (acting chairman) presiding.

Present: Senators McCarran (presiding), Chavez, McFarland, Butler, and Millikin.

Also present: Harry W. Bashore, Acting Commissioner, and J. Kennard Cheadle, chief counsel, Bureau of Reclamation.

S. 1252

Senator McCARRAN. The calling of this meeting is for the purpose of considering bills S. 1252 and S. 1257, and we will take them up in that order.

(S. 1252 is as follows:)

[S. 1252, 78th Cong., 1st sess.]

A BILL To amend the Act of August 11, 1939 (53 Stat. 1418), as amended by the Act of October 14, 1940 (54 Stat. 119), relating to water conservation and utilization projects

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last proviso of section 1 of the Act of August 11, 1939 (53 Stat. 1418), as amended (hereinafter referred to as the Act), is hereby amended to read as follows: "*And provided further*, That expenditures from appropriations made directly pursuant to the authority contained in section 12 (1) to meet reimbursable construction costs allocated to irrigation as defined in section 4 (b) shall not exceed \$2,000,000 for dams and reservoirs in any one project, and that expenditures from appropriations made directly pursuant to the authority contained in section 12 (1) to meet costs allocated to flood control by the Secretary after consultation with the Chief of Engineers, War Department, shall not exceed \$500,000 on any one project."

SEC. 2. Subparagraph (vii) of subsection 3 (a) of the Act is hereby amended to read as follows:

"(vii) The part of the estimated cost which can properly be allocated to flood control as recommended by the Secretary after consultation with the Chief of Engineers, War Department."

SEC. 3. Subsection 3 (b) of the Act is hereby amended to read as follows:

"(b) No actual construction of the physical features of a project shall be undertaken unless and until (1) the Secretary has found that lands, or interests in lands, deemed necessary for the construction and operation of the major features of the projects have been secured, or sufficient progress made in their procurement to indicate the probability that all these lands or interests in lands

can be secured, with titles and at prices satisfactory to him; and (2) the Secretary has found (i) that water rights adequate for the purposes of the project have been acquired with titles and at prices satisfactory to him, or that such water rights have been initiated and in his judgment can be perfected in conformity with State law and any applicable interstate agreements and in a manner satisfactory to him; and (ii) that such water rights can be utilized for the purposes of the project in conformity with State law and any applicable interstate agreements and in a manner satisfactory to him."

SEC. 4. Section 3 of the Act is hereby amended by the addition of the following subsection:

"(c) Any part of a project hereunder may be designated as a division of the project by the Secretary if he, after consultation with the Secretary of Agriculture, deems this desirable for orderly and efficient construction or administration. The term 'project', as used in subsection 3 (b) and section 4, shall be deemed to mean also 'division of a project', designated as provided in this subsection. Any project authorized for construction from appropriations under the head 'Water Conservation and Utility Projects' in the Interior Department Appropriation Act, 1940 (53 Stat. 685), hereinafter called the 1940 water conservation appropriation, may be designated by the Secretary, upon agreement with the Secretary of Agriculture, a project under this Act and shall thereupon be subject to all the provisions and requirements thereof, except those of subsections 3 (a) and 3 (b)."

SEC. 5. Section 4 of the Act is hereby amended by the addition of the following subsection:

"(d) For each project, on which construction is commenced or continued under this subsection, appropriations heretofore or hereafter made pursuant to section 12 and the unexpended balance of the 1940 water conservation appropriation, in addition to being available for other authorized objects of expenditure, shall be available for expenditure, by the agency to which available, in lieu of the 'services, labor, materials, or other property, including money', authorized to be utilized under section 2 and subsection 5 (b). All expenditures on each such project may be excluded (1) from the project construction costs to the extent the Secretary finds necessary to keep the reimbursable costs within the findings made under subsections 3 (a) (iv), 3 (a) (v), and 3 (a) (vi), and (2) from the costs that but for this subsection would be required to be returned under section 5, to the extent deemed necessary by the Secretary of Agriculture for the successful prosecution of the project; and as to each such project the limitations on expenditures provided in sections 1 and 9 shall be inoperative. Appropriations made pursuant to section 12 shall be available for expenditures for continuation of construction on any project heretofore undertaken under the 1940 water conservation appropriation, and such expenditures and those from the 1940 water conservation appropriation may be excluded from the costs of any such project in determining the amounts required to be reimbursed, to the extent the Secretary and the Secretary of Agriculture jointly determine is necessary to keep reimbursable costs within the ability of the water users to repay. No project may be initiated for construction or, if heretofore authorized, continued under this subsection unless the Secretary, following consultation with the Secretary of Agriculture, finds that the proposed construction under this subsection is justifiable as an aid in the production of needed agricultural products and the President approves said finding. The utilization of services or labor of prisoners of war under section 2 is authorized, subject to the approval of, and regulations by, the War Department or other Federal agency having control of said prisoners. From and after the date six months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress, this subsection shall no longer be of any force or effect except as to projects on which construction has been initiated or continued under this subsection prior to said date."

SEC. 6. Section 5 of the Act is hereby amended by the addition of the following subsection:

"(c) Where the aggregate amount involved does not exceed \$300, the provisions of section 3709 of the Revised Statutes (41 U. S. C. 5) shall not apply to any purchase of service authorized for the Department of Agriculture under this Act or under the 1940 water conservation appropriation."

Senator McCARRAN. Mr. Bashore, Acting Commissioner of Reclamation, is here. The committee will be glad to hear from you, Mr. Bashore.

Mr. BASHORE. Mr. Chairman, I know your committee is pressed for time. If you will permit us, I believe we can assist you in making a record on this more expeditiously if Mr. Cheadle, who is here with me, may present certain documents for the record, after which we will be both available for answering any questions or assisting you in any way that you may desire.

Senator McCARRAN. Very well.

STATEMENT OF J. KENNARD CHEADLE, CHIEF COUNSEL, BUREAU OF RECLAMATION

Senator McCARRAN. Kindly state your name and official position for the record.

Mr. CHEADLE. J. Kennard Cheadle, chief counsel, Bureau of Reclamation.

Mr. Chairman and members of the committee, the first paper we would like to submit for the record is a letter from the War Food Administrator to Mr. Donald Nelson, Chairman of the War Production Board.

Senator McCARRAN. Is that on S. 1252?

Mr. CHEADLE. That is correct, sir. It is dated May 12. In that letter the War Food Administrator called to the attention of Mr. Nelson the critical food situation, pointing out that we are on restricted rations now, and we are going to be worse off—

Senator CHAVEZ. That letter has been made public heretofore?

Mr. CHEADLE. Yes; it has.

Senator McCARRAN. You want that letter inserted in the record?

Mr. CHEADLE. I suggest that.

Senator McCARRAN. Such shall be the order. It shall be inserted in the record.

(The letter referred to is as follows:)

WAR FOOD ADMINISTRATION,
May 12, 1943.

Mr. DONALD M. NELSON,
Chairman, War Production Board.

DEAR MR. NELSON: It now appears probable that food supplies available for civilians in 1943, after meeting the requirements for United States armed forces and for shipments under the lend-lease program, will have a caloric content of somewhere between 3,100 and 3,200 calories per person per day. This compares with the minimum amount necessary to maintain the health and efficiency of the civilian population recommended by the Food and Nutrition Board of about 2,800 calories and with the British consumption of between 3,000 and 3,100 calories.

Because of the size and complexity of the United States, it is impossible to assure as uniform distribution of our available food supplies as does the United Kingdom. Consequently, it is almost certain that a considerable segment of the domestic population will be unable to obtain the average amounts of food available for civilians or even the minimum amount recommended by the Food and Nutrition Board.

Supplies of food available for civilian consumption in 1943, at least for all the seasonal products, are to a considerable extent the result of production in 1942. Production last year reached an all-time high of about 28 percent above the average production during the 5-year period 1935-39. This all-time high was due in considerable part to unusually favorable weather conditions. If 1943 acreage production goals are reached (for some critical products, we know that they will not be reached) and average yields are obtained, food production will be 6 to 7 percent larger than in 1942.

This prospective increase in domestic food production will not be sufficient to meet the increased noncivilian demands on us for food in 1944. Requirements for our own armed forces in 1944 are expected to be 10 to 15 percent larger than in

1943. This does not represent a net increase in food requirements since the number of civilians will be reduced by the same number as the increase, however, since per capita consumption by the military forces is substantially larger than the per capita consumption of those same persons in civilian life.

There will be increased demands for food shipments under the lend-lease program. Such shipments to the United Kingdom have become fairly well stabilized but shipments to Russia and perhaps other countries will be increased. Russia has lost large percentages of its most productive agricultural land to the enemy, and Russian civilians, particularly, are alarmingly undernourished. While no over-all figures are available, reports indicate that in Moscow even workers in the heaviest industries are getting nowhere near 2,800 calories per person per day and that many other groups in the civilian economy are getting as little as two-thirds of the minimum as established by the Food and Nutrition Board.

Certain food products to Russia take precedence for shipping space over everything else, and it seems inevitable that increased food shipments to Russia will have to be made if the civilian population is to be maintained sufficiently to provide the Russian armed forces with the implements of war.

Unless the United Nations suffer unexpected military reverses during the next few months, it is certain that there will be increased demands on us for food for feeding the civilian populations of reoccupied countries. At the present time, only relatively small quantities of food are being used for this purpose. As the area reoccupied increases, the drain will become more and more significant and will be promptly reflected in reduced supplies available for domestic civilian consumption since, with few exceptions, there are no stock piles of food either here or abroad which can be drawn upon.

Even this year domestic civilian consumers are going to be short of two essential elements in their diets, namely, calcium and riboflavin. These elements are also the ones which other United Nations and the reoccupied countries will need most. Since a "chain is no stronger than its weakest link," consideration of caloric content of our diet is apt to be misleading. Some shifts in agricultural production to meet deficiencies of calcium and riboflavin are being made but such shifts cannot be effective in overcoming these specific deficiencies, even by 1944, so nonagricultural sources may have to be drawn upon.

It is apparent that every effort must be made to increase agricultural production this year and for 1944 and 1945, since the need for food is inevitably going to exceed our ability to produce it and supplies available for civilians will continue to decline.

Finally, it should be noted that food is a category by itself insofar as the war and post-war situation is concerned. The minute the war has been won, production of direct military items—ships, tanks, guns, airplanes, etc.—can be suspended. No such action can be taken with food. The demand for it will continue at even higher levels for at least 2 years after the war is won. Consequently, in appraising the timing of projects for expanding food production, at least 2 years should be added as compared with projects for the expansion of direct military production. In other words, if projects for expansion of production of direct military items are ruled out if such production will not come into being until after 1945, projects for the expansion of food should not be ruled out unless they will not come into production until after 1947. The importance of the continuing post-war demand for food should not be minimized because our ability to supply food to freed countries and even to the civilian populations of enemy countries in the immediate post-war period will have a vital bearing upon the chances for a lasting peace. Moreover, because of the time lag in agricultural production, we cannot afford to wait until the war is over to develop post-war food-production programs.

It is evident, therefore, that it is essential to press into production every possible acre of land in the Nation. Our present food-production resources in established areas already are operating at capacity and the only other means of increasing output are through development which will permit more intensive cultivation, such as irrigation projects.

The 18 Western States afford many excellent opportunities for expanding production of the foods in greatest need, such as dry beans and peas, potatoes, and dairy products. Through irrigation-project development, production of these items can be increased in certain and stable amounts without sacrificing output of other essential crops and livestock products.

The War Food Administration currently is engaged in an analysis of potential irrigation developments. Attached is a tentative list of proposed projects which, in our judgment, merits careful consideration from the standpoint of adding to our production capacity for essential war and post-war foods. The material requirements for the construction of these projects, on a wartime basis, have been furnished by the Bureau of Reclamation.

The War Food Administration will submit data and recommendations on each project listed as rapidly as the information can be analyzed.

CHESTER C. DAVIS,
Administrator.

Tentative list of irrigation projects suggested for development by the War Food Administration

Project	Steel (tons)		Steel (tons)		Steel (M board measure)	
	Fiscal year 1944	Fiscal year 1945	Fiscal year 1944	Fiscal year 1945	Fiscal year 1944	Fiscal year 1945
1. Friant Dam (San Joaquin), Calif.	160	40	.7	.3	0	0
2. Madera Canal, Calif.	400	350	.1	0	375	325
3. Yakima-Roza, Wash.	531	14	0	0	700	0
4. Newton, Utah.	32	0	-----	0	30	0
5. Colorado-Big Thompson, Colo.	405	354	2	0	1,415	1,260
6. Anderson Ranch, Idaho ¹	988	2,863	.8	5	490	590
7. Klamath-Modoc, Oreg. and Calif.	57	20	7	0	500	100
8. Mancos, Colo.	128	-----	1	0	126	-----
9. Riverton, Wyo.	355	150	-----	-----	336	75
10. Rapid Valley, S. Dak.	44	-----	.05	-----	40	10
	2,972	3,791	10.65	5.3	3,886	2,360

¹ Total steel requirements for Anderson Ranch Dam reduced to 1,652 tons by revised plan (Bureau of Reclamation note).

Mr. CHEADLE. Next is a quotation from report No. 455, dated May 17, 1943, of the House Committee on Appropriations, Interior Department appropriation bill, 1944.

Senator McCARRAN. What is the substance of that report?

Mr. CHEADLE. Briefly, Mr. Chairman, in this excerpt from the report the House committee strongly urges that the War Production Board reinvestigate and reconsider the 23 projects on which it stopped construction last fall, and the committee further strongly recommended that consideration be given to additional, both new and supplemental, water projects as a means of meeting, in part, the food shortage.

(The quotation referred to is as follows:)

(The following is a quotation from Rept. No. 455, dated May 17, 1943, House Committee on Appropriations, Interior Department appropriation bill, 1944, as found on pp. 4 and 5:)

"The committee is deeply impressed by the frank statement of the Assistant Secretary and with the testimony of many others who are in agreement with him, and it urgently recommends, in view of Mr. Hill's testimony as to the probability of a food shortage, that the War Production Board promptly reinvestigate and seriously consider allowing priorities which will permit resumption of work on some 23 reclamation projects which have been in a deferred status since last October. While some justification may have existed for the issuance of stop orders in October 1942, when the food shortage was not so apparent, the committee is strongly of the opinion that the time for optimism and complacency on the part of responsible officials has passed. These stop orders have involved a serious delay in the development of 877,500 acres of new land and 2,035,000 acres of existing land for which a supplemental water supply is needed. The committee, therefore, reiterates its recommendation that early consideration

be given to the removal of stop orders against the projects under discussion. In view of the fact that we must feed our own civilian population, our armed forces, and are now being called upon to shoulder the major portion of the burden of feeding our allies, the committee further urges that consideration be given to the desirability of undertaking a program of new and supplemental projects referred to by the Commissioner of Reclamation in his testimony. It is the understanding of the committee that these latter projects, as well as some of those against which stop orders were issued, can be constructed with the use of a minimum of steel and other critical materials."

Mr. CHEADLE. The next is a letter from the War Food Administrator to the Director of the Budget, dated June 7, 1943. This letter likewise has been made public before, in connection with the Senate hearings on the Interior appropriation bill, 1944.

In this letter likewise, of a somewhat later date, approximately a month later, the War Food Administrator urges that there be prompt development of every irrigation project which could bring into production additional acreage, and in that correspondence the War Food Administrator emphasized the point that, while on the manufacture of munitions, for example, production may properly cease on the day hostilities cease, the requirements for food will be even greater in the 2 years following the war than they are during the war. Consequently, if, in connection with munitions and war production, the War Production Board is figuring, let us say, for 1945, then in connection with food production, and, therefore, in connection with these irrigation projects, it should give serious consideration to any project which will bring land into production in 1947.

(The letter referred to is as follows:)

WAR FOOD ADMINISTRATION,
Washington, D. C., June 7, 1943.

HON. HAROLD D. SMITH,
Director, Bureau of the Budget.

DEAR MR. SMITH: It now appears probable that food supplies available for civilians in 1943, after meeting the requirements for United States armed forces and for shipments under the lend-lease program, will have a caloric content of somewhere between 3,100 and 3,200 calories per person per day. This compares with the minimum amount necessary to maintain the health and efficiency of the civilian population recommended by the Food and Nutrition Board of about 2,800 calories and with the British consumption of between 3,000 and 3,100 calories.

Because of the size and complexity of the United States, it is impossible to assure as uniform distribution of our available food supplies as does the United Kingdom. Consequently, it is almost certain that a considerable segment of the domestic population will be unable to obtain the average amounts of food available for civilians or even the minimum amount recommended by the Food and Nutrition Board.

There will be increased demands for food shipments under the lend-lease program. Such shipments to the United Kingdom have become fairly well stabilized but shipments to Russia and perhaps other countries will be increased. Russia has lost large percentages of its most productive agricultural land to the enemy, and Russian civilians, particularly, are alarmingly undernourished. While no over-all figures are available, reports indicate that in Moscow even workers in the heaviest industries are getting nowhere near 2,800 calories per person per day and that many other groups in the civilian economy are getting as little as two-thirds of the minimum as established by the Food and Nutrition Board.

Certain food products to Russia take precedence for shipping space over everything else and it seems inevitable that increased food shipments to Russia will have to be made if the civilian population is to be maintained sufficiently to provide the Russian armed forces with the implements of war.

Unless the United Nations suffer unexpected military reverses during the next few months, it is certain that there will be increased demands on us for food for feeding the civilian populations of reoccupied countries. At the present time, only relatively small quantities of food are being used for this purpose.

As the area reoccupied increases, the drain will become more and more significant and will be promptly reflected in reduced supplies available for domestic civilian consumption since, with few exceptions, there are no stockpiles of food either here or abroad which can be drawn upon.

It is apparent that every effort must be made to increase agricultural production this year and for 1944, 1945, and 1946, since the demand for food is inevitably going to increase at a greater rate than our ability to produce it.

It should also be noted that food is in a category by itself insofar as the war and post-war situation is concerned. The minute the shooting stops, production of direct military items, such as ships, tanks, guns, airplanes, etc., can be suspended, but no such action can be taken with food. Unquestionably, the demand for it will be even greater for at least 2 years after the war has been won. The importance of the continuing post-war demand for food should not be minimized because our ability to supply food to freed countries and even to the civilian population of enemy countries in the immediate post-war period will have a vital bearing upon the chances for a lasting peace. It is essential to press into production every acre of land in the Nation that can safely be put to crop. Our present food-production resources in established areas already are operating at capacity; therefore, the only means of increasing the output would be through development which will permit more intensive cultivation. On the basis of present utilization of our land, what we produce this year will be close to the ceiling of our potential agricultural production, but it will not supply us with an exportable surplus large enough to satisfy all the overseas claims which we have a moral obligation to meet.

The 18 western States afford many excellent opportunities for expanding production of the foods in greatest need, such as dry beans, dry peas, potatoes, and dairy products. Through the development of additional irrigation acreage, production of these foods can be increased in certain and stable amounts without in any way sacrificing the output of other essential crops and livestock products.

The War-Food Administration currently is engaged in an analysis of potential irrigation developments. As fast as the analysis is completed of any project which in our judgment merits careful consideration from the standpoint of adding to our production capacity for essential war and post-war foods, it is submitted to the War Production Board with our recommendations. The material requirements for the construction of the projects on a wartime basis have been furnished the War Production Board by the Bureau of Reclamation. Chairman Donald Nelson has given me assurance that each project recommended for construction by the War Food Administration will be given prompt and serious consideration by the War Production Board.

The prompt development of every project which has merit is so important that I respectfully ask your consideration for inclusion in the budget authorization of the irrigation projects submitted by the Bureau of Reclamation, even though you may wish to limit actual expenditures to those projects that are given clearance by the War Production Board upon the recommendation of the War Food Administration.

Sincerely yours,

CHESTER C. DAVIS,
Administrator.

Mr. CHEADLE. Next is a quotation from Report No. 319 dated June 17, 1943. It is a quotation from the report of the Senate Committee on Appropriations on the Interior Department appropriation bill, 1944. In that report the Senate committee called attention to a statement by General Marshall, Chief of Staff, who has described food as "most essential" of war materials, and the Senate committee, like the House committee, urged that full consideration be given to the reclamation program.

(The quotation referred to is as follows:)

(The following is a quotation from Rept. No. 319, dated June 17, 1943, Senate Committee on Appropriations, Interior Department appropriation bill, 1944, as found on pp. 2 and 3:)

"Time is of the essence in the construction of irrigation facilities for war-food production. If storage facilities are not completed to catch the spring run-offs, or distribution facilities are not completed by the time the planting season starts,

an entire year's production of food is lost, food which General Marshall, Army Chief of Staff, has described as 'most essential' of war materials. It is also important on the home front. To this end the committee recommends that the Bureau of Reclamation use funds appropriated to prosecute with all the vigor possible the construction of irrigation facilities with minimum of critical materials.

"In furthering wartime construction for food production, the Bureau of Reclamation should plan the work so as to be of the greatest possible permanent benefit to the projects, the communities in which they are located, and the country. The Bureau has a particular responsibility for utilizing for food production public lands which can be irrigated quickly, and which will offer settlement opportunities at the close of the war for returning servicemen and emergency industrial workers on such projects as the Gila (Arizona), All-American Canal (California), and Riverton and Shoshone, Heart Mountain Division (Wyoming)."

Mr. CHADLE. In connection with the Senate hearings on the Department's appropriation bill this year, Senator Hayden, who is chairman of the subcommittee, requested Acting Commissioner Bashore to be prepared to discuss at the hearings such legislation as might be necessary to enable us to move full speed ahead on whatever program might be adopted.

In response to that request, Secretary Ickes wrote to Senator Hayden, on June 7, transmitting with his letter a proposed Wartime Reclamation Act. That bill happens to be S. 1257. I mention it here because, in connection with that proposed legislation, there was subsequently, I believe on about June 22, introduced a bill, S. 1257, and likewise, the bill S. 1252, which is a bill that would provide for amendments to the Wheeler-Case Act, it being considered that the two bills would provide adequate legislative framework within which we might have a wartime reclamation program operating on both regular reclamation projects and Wheeler-Case projects.

In connection with S. 1252, the Secretary made a report to this committee on June 25. I assume the original of that letter is in the hands of the secretary of the committee. In any event, for convenience, if you wish, I can submit here a carbon copy of that letter.

Senator McCARRAN. Very well.

(The letter referred to is as follows:)

DEPARTMENT OF THE INTERIOR.

Washington, June 25, 1943.

Hon. J. H. BANKHEAD,

Chairman, Committee on Irrigation and Reclamation, United States Senate.

MY DEAR SENATOR BANKHEAD: Reference is made to your letter of June 24, requesting a report by this Department on S. 1252, a bill to amend the act of August 11, 1939 (53 Stat. 1418), as amended, relating to water conservation and utilization projects. That act is popularly known as the Wheeler-Case Act.

I recommend enactment of this bill.

When first enacted in 1939, and when substantially amended in 1940, the Wheeler-Case Act was designed particularly with a view to utilization on water conservation and utilization projects of labor and services to be supplied by the Work Projects Administration and the Civilian Conservation Corps. With the problem of manpower reversed by the Nation's war requirements, from one in which it was necessary to find useful work projects for the unemployed to the present one in which it is necessary to ration the Nation's limited supply of manpower and materials among war production and activities that support the war program, the construction of these projects was very substantially curtailed.

It is now widely recognized that the Nation needs as great an increase as possible in agricultural production. It is particularly important that the production of food be increased in the Western States where heavy increases in population have occurred due to war production and military developments.

Projects constructed under the Wheeler-Case Act would provide a considerable increase in agricultural production in the West.

However, for the water conservation and utilization projects on which construction may be resumed or initiated during the period of the war, and for such projects as are now being constructed with the permission of the War Production Board, there needs to be special legislative provision to take care of the abnormally high costs of the war period and to provide a substitute for the contributed labor and services which no longer can be supplied by the Work Projects Administration or the Civilian Conservation Corps.

Section 5 of S. 1252 would make such provision. It would permit the expenditure of appropriated money in lieu of "services, labor, materials, or other property, including money," supplied by the Work Projects Administration or Civilian Conservation Corps. It would not modify the requirements of the existing law—that the water users shall repay to the United States that part of the project costs properly allocable to irrigation which is within their ability to pay, as found by the Secretary of the Interior, and that any municipal or miscellaneous water supply or power features of a project shall be charged with that part of the costs which properly can be allocated to municipal or miscellaneous water supplies or power and probably be returned to the United States in revenues therefrom. The project costs in excess of these reimbursable items would be nonreimbursable, just as under the existing law the costs of services, labor, etc., supplied by the Work Projects Administration or the Civilian Conservation Corps are now reimbursable to the extent they cannot be included in the amounts found to be reimbursable.

The proposal to expend nonreimbursable moneys in lieu of services, labor, etc., heretofore supplied by the Work Projects Administration and the Civilian Conservation Corps would be appropriate only if found justifiable as an aid in the production of needed agricultural products. Accordingly, a finding to that effect, approved by the President (following the authorization procedure of the existing law) would be required before the provisions of section 5 could be invoked. In recognition of the special wartime conditions that make such provisions necessary, section 5 expressly provides that upon the expiration of the present war, and 6 months thereafter, that section shall no longer be of any force and effect, except as to such projects on which construction has been initiated or continued under that section during said period.

An additional matter should be noted. It is possible that there may be in this country, in the near future, thousands of prisoners of war captured overseas from the enemies of this Nation. Their labor and services could be utilized in the construction of water conservation and utilization projects, carefully selected for geographical locations removed from vital areas. To some extent it might be practicable to use their labor and services in farming operations. It is not, of course, for me to determine what use should be made of prisoners of war who may be brought to this country. However, I think it is proper for me to suggest that we prepare to utilize the labor and services of prisoners of war on such projects, if found to be appropriate by the War Department or whatever Federal agency has control of the prisoners. Section 5 would make the special war-period provisions necessary for construction of such projects in these times, and the same section also would expressly authorize the utilization of services or labor of prisoners of war on such projects, subject to the approval of, and regulations by, the War Department or other Federal agency having control of said prisoners.

The other five sections of S. 1252 would provide desirable permanent amendments of the Wheeler-Case Act.

Section 1 would increase from \$1,000,000 to \$2,000,000 the amount of money appropriated pursuant to the act which may be used to meet reimbursable construction costs allocated to irrigation. This is desirable in view of rising prices and experience gained since 1940 in determining the size of projects that practically can be undertaken pursuant to the act.

Section 2 is a perfecting amendment which would conform a subparagraph of section 3 of the existing law to the amendment of section 1 made by the act of March 7, 1942 (Public Law No. 488, 77th Cong., 2d sess.), dealing with flood-control allocations on these projects.

Section 3 would permit construction of a project to be commenced when satisfactory progress has been made in securing of the lands or interests in lands deemed necessary for the construction and operation of the major features of the project. The existing law requires that such lands or interests in lands must have been secured before such construction may be commenced.

Experience gained in the last 2 years has shown that the existing requirement is so rigid that it occasions uneconomical delays in the work on a project, once it has been authorized for undertaking.

Section 4 would permit a part of a project to be designated as a "division of the project" and undertaken separately if such procedure is desirable for orderly and efficient construction or administration.

Section 6 would authorize the Department of Agriculture to make open-market purchases up to \$300 in connection with its work on these projects. The Department of Agriculture at present has a limit of \$50 on such purchases and truly needs the same authority as the Bureau of Reclamation has under existing law (sec. 13 of the Reclamation Project Act of 1939 (53 Stat. 1187) and sec. 10 of the Wheeler-Case Act).

It should also be noted that in sections 4 and 5 of S. 1252 there are provisions for covering the so-called "\$5,000,000 item" projects under the provisions of the Wheeler-Case act, and for handling such projects under the special war-period provisions of section 5. That "\$5,000,000 item" appears under the heading "Water conservation and utility projects" in the Interior Department Appropriation Act, 1940 (53 Stat. 685, 719). Without substantive authority, it appropriated money for the construction of projects like those subsequently authorized by the Wheeler-Case act. For orderly administration and accounting, there should be authority for handling these "\$5,000,000 item" projects in accordance with pertinent provisions of the Wheeler-Case act.

I have not been able to obtain the views of the Bureau of the Budget on the proposed legislation prior to making this report for consideration at the hearing on the bill, which I understand you plan to hold this month. Consequently I am unable to advise whether the enactment of the bill would be in accordance with the program of the President.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

Senator CHAVEZ. What are the recommendations of the Secretary?

Mr. CHEADLE. The recommendation is that S. 1252 be enacted without amendment, and I might add, for the information of the committee members who may not know, the House Irrigation Committee reported out a companion bill, H. R. 3019, without amendment, sometime last week I believe.

Senator McCARRAN. That is right.

Mr. CHEADLE. The Department's recommendation is that S. 1252 be enacted without amendment.

Senator CHAVEZ. And then get the House side to agree to the Senate items on reclamation—

Mr. CHEADLE. That is not quite correct, Senator Chavez, on S. 1252, because there is an unexpended balance of several million dollars which has been impounded by the Bureau of the Budget. That money is practically useless to us on these Wheeler-Case projects under the existing law, because the existing law contemplated contributions of labor, material, and even money from W. P. A. or C. C. C. Those organizations are practically nonexistent now.

Senator McCARRAN. It will not be necessary to reappropriate that unexpended balance?

Mr. CHEADLE. It will not be necessary under the language of this bill since it would authorize that money, whether heretofore or hereafter appropriated, to be used in accordance with section 5 of this bill, and, briefly, that provision is that the money may be used in lieu of W. P. A. and C. C. C. contributions, and being used in lieu of those contributions, it would be nonreimbursable. The extent of reimbursability would remain exactly as it is under the existing law. The water users repay what they are able to repay, as determined by the Secre-

tary. The only difference is, under the existing law, the spread between what the water users can repay and the actual cost is met by W. P. A. or C. C. C. contributions. Under this bill, for projects on which construction is resumed or on which construction is initiated during the period of the war and 6 months after and only on those, the appropriated moneys could be used to meet that spread, instead of W. P. A. contributions which are not available now.

(At this point, discussion was had outside the record.)

Senator BUTLER. Mr. Chairman, did you finish on S. 1252?

Mr. CHEADLE. I have not gotten into a full explanation of it. I believe Senator Millikin would like an explanation.

Senator BUTLER. I was going to suggest that, since Mr. Cheadle remarked that the House and Senate bills were identical, there is one typographical error in the Senate bill.

Mr. CHEADLE. Yes; I understand that. In the second line of the title of the bill—

Senator McCARRAN. S. 1252?

Mr. CHEADLE. Of S. 1252, the citation in parentheses should read: "54 Stat. 1119".

Senator McCARRAN. That is in line 4?

Mr. CHEADLE. No, Senator McCarran; it is in the second line of the title.

Senator McCARRAN. I see.

Mr. CHEADLE. It now reads "119", and it should be "1119".

Senator McCARRAN. Very well.

Senator MILLIKIN. Might we have a brief explanation of this bill?

Senator McCARRAN. Yes.

Mr. CHEADLE. Briefly, the proposed amendments to the Wheeler-Case Act are, excepting section 5, proposed permanent amendments, which would facilitate and expedite construction.

In the first section, there is only one change and that is from \$1,000,000 to \$2,000,000. The limitation on what may be spent on dams and reservoirs on any one project is increased. Costs have gone up very appreciably. We do not know whether they will go up more. We do not know how much they will come down. Also experience on the few projects that have been undertaken indicates the practicability of building a dam and reservoir which we say roughly will cost \$2,000,000. That is the only change in section 1.

In section 2 it is merely a perfecting amendment. Amendment was made last year by the Congress to section 1 which provided for flood-control allocation after consultation with the Chief of Engineers, War Department. This would conform a subdivision of a later section with the amendment made by Congress last year.

In section 3, under the existing law, we are required to obtain titles complete before we can undertake the construction of any major feature. We have found from experience that that is too rigid. Frequently, a land-acquisition program can be carried to the point where sufficient progress has been made in the land acquisitions that we are satisfied that those acquisitions will be within the bounds of the moneys we think can be expended for them, and if we have to wait until the last "i" is dotted and the last "t" is crossed in effecting the acquisition, there may be rather substantial delay. That is the only change made by section 3.

Section 4 would authorize a project to be broken up into divisions, and the division could be undertaken separately. There are several projects where that would lend to expediting construction and would permit us to effect some economies.

Section 4 also permits the bringing of projects started under a \$5,000,000 appropriation in 1939 within the Wheeler-Case Act. The correct reference is to the appropriation under the caption "Water Conservation and Utility Projects" in the Interior Appropriation Act 1940. That was an appropriation, Mr. Chairman, made without previous legislative authority in early 1939, by which money was made available to start, in general, the kind of a project we think of as being under the Wheeler-Case program. Later in that same year of 1939, the original Wheeler-Case Act was passed. This would merely permit what we think is entirely sensible, that those projects under the \$5,000,000 appropriation be authorized for inclusion in, and prosecution under the more specific and comprehensive provisions of the Wheeler-Case Act.

Section 5 is the section which is, let us call it, wartime legislation, and it I have described before. It would provide that appropriated moneys could be used in lieu of W. P. A. contributions and could be used to carry on Wheeler-Case projects and these \$5,000,000 item projects.

Section 6 would authorize the Department of Agriculture, in connection with its activities under the Wheeler-Case Act, to make open market purchases up to \$300 in the manner common among businessmen. The Bureau of Reclamation has that authority under existing law and we are satisfied that, at least in the operations on these projects, it is entirely reasonable and will expedite matters if the Department of Agriculture has a similar authority running to \$300.

Briefly, that describes the provisions in S. 1252.

Senator McCARRAN. Any questions?

(No response.)

Senator McCARRAN. The Secretary recommends the passage of the bill as is; is that right?

Mr. CHEADLE. That is correct, Senator McCarran.

Senator McCARRAN. And the House committee has already approved it as is?

Mr. CHEADLE. Yes.

Mr. BASHORE. Mr. Chairman, I think I would like to add one thing in regard to this bill. It might be argued we are asking to have money made nonreimbursable in this legislation which is a departure, a radical departure from our past procedure. The nonreimbursable costs of the these Wheeler-Case projects have been financed in the past by W. P. A. or C. C. C. labor, and in that case the Government paid for it.

This is simply coming out in a straightforward manner and saying that the Government will pay for this work directly in place of a roundabout method of doing it. These projects have been financed in the past entirely by the Federal Government, except that we brought into the picture the relief labor and C. C. C. enrollees. In this case, we are laying the cards all on the table and we are asking for nonreimbursable money to do the job.

Senator McCARRAN. In the first instance, the C. C. C. and the W. P. A. were using entirely and exclusively Federal money. The C. C. C. and W. P. A. were contributing to the construction and establishment of these projects and now, those two agencies having gone out of existence, the Government comes forward and affords the money without looking for repayment.

Mr. BASHORE. That is exactly right.

Senator McCARRAN. Is that the story?

Mr. BASHORE. That is the story.

Senator CHAVEZ. And this bill authorizes you to carry on because of the emergency in the production of food?

Mr. BASHORE. Yes, sir.

Senator CHAVEZ. It has that similarity to W. P. A. in this instance, that there is an emergency?

Mr. BASHORE. Yes, sir.

Senator CHAVEZ. There is an emergency, and you want to do it direct?

Mr. BASHORE. That is right.

Senator CHAVEZ. And you would not do it if times were normal. I would not imagine that you would recommend that the Government carry on this kind of work, but the emergency that exists makes it necessary; is that correct?

Mr. BASHORE. We think the emergency makes it necessary.

Senator CHAVEZ. The letters introduced here from the Food Production Administrator and the other letters that have been introduced here would indicate an emergency?

Mr. BASHORE. That is right.

Senator CHAVEZ. The necessity for the production of food; and you want to use this money directly to carry on your work that was carried on through the other agencies?

Mr. BASHORE. That is right. On some of these projects, we have substantial investments on which we cannot realize a penny until the projects are completed.

Senator McCARRAN. Senator Butler, do you have any questions?

Senator BUTLER. No.

Senator McCARRAN. Senator Chavez, any questions?

Senator CHAVEZ. No.

Senator McCARRAN. Senator McFarland, do you have any questions?

Senator McFARLAND. No.

Senator McCARRAN. Senator Millikin?

Senator MILLIKIN. No.

Senator McCARRAN. Thank you very much for your explanation of S. 1252.

Gentlemen, do you care to act on this bill at this time?

Senator McFARLAND. Yes. I move that it be reported favorably.

Senator BUTLER. I second the motion.

Senator McCARRAN. Is there any objection?

(No response.)

Senator McCARRAN. If not, the bill will be recommended favorably with the correction in the title of the bill, and such shall be the order.

S. 1257

We will take up S. 1257.
(S. 1257 is as follows:)

[S. 1257, 78th Cong., 1st sess.]

A BILL Authorizing wartime construction and operation and maintenance of reclamation projects

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of increasing production of crops required in connection with the prosecution of the war, the Secretary of the Interior (hereinafter called the "Secretary") is authorized to construct or improve, and to operate and maintain irrigation storage, distribution, and drainage systems and related facilities on federally or nonfederally owned lands in the seventeen westernmost States; to clear, level, and prepare such lands for distribution of irrigation water; and to lease, for a period not exceeding five years, federally owned or controlled lands for the production of such crops and for related uses. No construction of irrigation storage, distribution, or drainage systems shall be undertaken by the Secretary pursuant to this Act until he shall have made (1) a determination of the engineering feasibility of such work, (2) and estimate of the cost thereof, and (3) a report to the Federal Food Administrator of the additional acreage which may be made productive thereby, and until said Administrator shall have certified that said work is necessary for the production of crops required in connection with the prosecution of the war. Activities pursuant to this Act may be undertaken on lands in any project heretofore initiated under the Federal reclamation laws or the so-called Water Conservation and Utilization Project Act of August 11, 1939 (53 Stat. 1418), as amended, as well as on any other federally or nonfederally owned lands: *Provided*, That no nonfederally owned lands shall be cleared, leveled, or prepared for distribution of irrigation water except by and with the consent of the owner and pursuant to contract therefor with said owner.

SEC. 2. (a) In connection with any construction or operation and maintenance pursuant to the provisions of this Act, the Secretary shall have the same authority, with regard to the utilization of lands owned by the United States, as he has in connection with projects undertaken pursuant to the Federal reclamation laws, Act of June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

(b) In connection with investigations, construction, or operation and maintenance undertaken pursuant to the authority of this Act, the Secretary shall have with respect to construction contracts, purchase of supplies and equipment, procurement of services, and the expenditure of contributed funds; with respect to the acquisition, exchange, and disposition of lands, interests in lands, water rights, and other property and the relocation thereof; and with respect to other matters relating to such investigations, construction, or operation and maintenance, the same authority, including authority to acquire lands and interests in lands and water rights with titles and at prices satisfactory to him, which he has in connection with projects under the Federal reclamation laws.

(c) The provisions of subsections (a) and (b) of this section are cumulative to all other existing authority and shall not be deemed, nor operate, as limitations on the authority provided elsewhere in this Act. Wherever in this Act functions, powers, or duties are conferred upon the Secretary, said functions, powers, or duties may be performed, exercised, or discharged by his duly authorized representatives.

SEC. 3. The utilization of services or labor of prisoners of war, enemy aliens, and American-born Japanese in connection with work undertaken pursuant to the authority of this Act is authorized, subject to the approval of, and regulations by, the War Department or other Federal agency having control of such persons.

SEC. 4. (a) In connection with any irrigation project under the Secretary's jurisdiction, and in connection with any irrigation storage or distribution works constructed pursuant to the authority of this Act, delivery of water may, until one year after the cessation of hostilities determined in accordance with section 7, be made to or for lands of whatever acreage held in single ownership, corporate or otherwise, the Secretary determines to be proper for wartime purposes, without regard to restrictions in existing laws or contracts. Any delivery of water here-

under to land in excess of one hundred and sixty acres of irrigable land or smaller-sized farm units established under the Federal reclamation laws, owned by any one landowner, shall not entitle the landowner or anyone holding under him or anyone receiving water service for said excess land to continuation of water deliveries to or for said excess land after the date 1 year after the cessation of hostilities determined in accordance with section 7, it being the hereby declared policy of the Congress that settlement and operation of federally irrigated lands by qualified farmers and their families is the basic reclamation purpose of the United States, and that the operations by the Secretary under this Act shall be directed to the effective carrying out of that basic purpose when hostilities in the present war have ceased and demobilization of the armed forces has commenced.

(b) The Secretary is hereby authorized, for purposes of irrigation farming and related uses, to acquire by purchase lands within the area served by any project under his jurisdiction, or to be served by irrigation or distribution works constructed pursuant to the authority of this Act: *Provided*, That any such acquired lands shall be leased by the Secretary pursuant to the provisions of section 1 for the production of crops declared necessary by the War Food Administration and for related uses.

SEC. 5. The Secretary may enter into agreements to pay annual sums in lieu of taxes to any State or political subdivision thereof with respect to any real property situated therein after it is acquired pursuant to the authority of section 4 (b) of this Act: *Provided*, That the amount so paid for any year upon any such property shall not, in any event, exceed the amount of the taxes imposed on such property for the year last prior to the year in which the United States acquired such property.

SEC. 6. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums of money as may be necessary to carry out the provisions of this Act, including investigations and surveys of work proposed pursuant to this Act; and, from such sums appropriated, expenditures may be made for personal services in the District of Columbia and may be made for all objects of expenditure that are specified in the Interior Department Appropriation Act, 1944, under the caption "Bureau of Reclamation, Administrative Provisions and Limitations", without regard to the amounts of the limitations therein set forth. All receipts from operations under this Act shall be covered into the Treasury to the credit of miscellaneous receipts.

SEC. 7. No construction of a project or division of a project shall be commenced pursuant to the authority of this Act from and after the date one year after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress. The Secretary shall annually report to the Congress on constructions and operations under this Act and, as soon as practicable after the cessation of hostilities as thus determined, the Secretary shall submit a complete report to the Congress on the construction and operations undertaken pursuant to this Act and shall submit his recommendations for whatever adjustments in project accounts and arrangements for the operations of projects need, in his judgment, be made by reason of activities undertaken pursuant to this Act.

SEC. 8. This Act may be cited as the "Wartime Reclamation Act of 1943."

Senator McCARRAN. Will the Reclamation Bureau kindly give us their explanation and views on that bill?

Mr. CHEADLE. To take less time, Mr. Chairman, we suggest that the record showing the background of this bill be the same, and I have a separate set of the first four documents introduced in connection with S. 1252.

Senator McCARRAN. They will be inserted in the record with reference to S. 1257.

(The documents referred to are on pp. 18-21.)

Mr. CHEADLE. We also suggest, Mr. Chairman, that there be introduced, in connection with S. 1257, the Secretary's letter of June 7, 1943, to Senator Hayden transmitting a draft of the bill and an explanatory statement. I suggest that the letter and the draft of bill and the explanatory statement be considered by the committee.

(The letter, draft of bill, and explanatory statement referred to are as follows:)

DEPARTMENT OF THE INTERIOR,
Washington, June 7, 1943.

HON. CARL HAYDEN,
United States Senate.

MY DEAR SENATOR HAYDEN: On May 31, by your letter addressed to Acting Commissioner Bashore of the Bureau of Reclamation, you requested that he be prepared to discuss at the hearings before the Senate subcommittee on the Interior appropriation bill "possible legislation which might be required in order to expedite construction of irrigation facilities during the war." A draft of a bill authorizing wartime construction and operation and maintenance of reclamation projects is enclosed. Also enclosed is a statement which describes and explains the major provisions of the proposed legislation.

The importance of the reclamation program as a means for meeting in substantial part the extraordinary wartime requirements for food was clear enough to lead me last fall to protest strenuously against the closing down of project construction that was then under way. As the War Food Administration has stated, the most effective means of increasing the output of the foods in greatest need, such as dry beans and peas, potatoes, and dairy products, is through irrigation project development. The very recent flood damage suffered by agricultural areas in many States has aggravated the food shortages and has increased the urgency of resuming and expanding the reclamation program.

So that reclamation work may be accomplished speedily, for wartime purposes and under wartime conditions, the legislative framework within which the reclamation program operates should be geared to current needs. The enclosed draft of bill would serve that purpose. I hope that the Congress will promptly enact it so that the Bureau of Reclamation will be legislatively equipped to proceed with speed to carry out an important part of the vitally necessary program for increased production of crops required in connection with the prosecution of the war.

It has not been possible to obtain the views of the Bureau of the Budget from the enclosed draft of bill prior to making it available for discussion before the Senate subcommittee on the Interior appropriation bill. The draft has been submitted to the Bureau of the Budget only very recently. Consequently, I am unable to advise whether the enactment of the bill would be in accordance with the program of the President.

HAROLD L. ICKES,
Secretary of the Interior.

A BILL Authorizing wartime construction and operation and maintenance of reclamation projects

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of increasing production of crops required in connection with the prosecution of the war, the Secretary of the Interior (hereinafter called the "Secretary") is authorized to construct or improve, and to operate and maintain irrigation storage, distribution and drainage systems, and related facilities on federally or nonfederally owned lands in the seventeen westernmost States; to clear, level, and prepare such lands for distribution of irrigation water; and to lease, for periods not exceeding five years, federally owned or controlled lands for the production of such crops and for related uses. No construction of irrigation storage, distribution, or drainage systems shall be undertaken by the Secretary pursuant to this Act until he shall have made (1) a determination of the engineering feasibility of such work, (2) an estimate of the cost thereof, and (3) a report to the Federal Food Administrator of the additional acreage which may be made productive thereby, and until said Administrator shall have certified that said work is necessary for the production of crops required in connection with the prosecution of the war. Activities pursuant to this Act may be undertaken on lands in any project heretofore initiated under the Federal reclamation laws or the so-called Water Conservation and Utilization Project Act of August 11, 1939 (53 Stat. 1418), as amended, as well as on any other federally or nonfederally owned lands. Municipal or miscellaneous water supply, electric power or flood control features may be constructed, operated, and maintained by the Secretary as incidental to and part of reclamation work undertaken pursuant to this Act.

The authority of this Act shall be exercised by the Secretary in whatever manner and on whatever terms he determines to be most effective for wartime purposes: *Provided*, That nonfederally owned lands may, by the Secretary, be cleared, leveled, or prepared for distribution of irrigation water only with the consent of the ostensible owner and pursuant to contract therefor with said owner.

SEC. 2 (a) In connection with any construction or operation and maintenance pursuant to the provisions of this Act, the Secretary shall have the same authority, with regard to the utilization of lands owned by the United States, as he has in connection with projects undertaken pursuant to the Federal Reclamation Laws, Act of June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

(b) In connection with investigations, construction, or operation and maintenance undertaken pursuant to the authority of this Act, the Secretary shall have with respect to construction contracts, purchase of supplies and equipment, procurement of services, and the expenditure of contributed funds; with respect to the acquisition, exchange, and disposition of lands, interests in lands, water rights, and other property and the relocation thereof; and with respect to other matters relating to such investigations, construction or operation and maintenance, the same authority, including authority to acquire lands and interests in lands and water rights with titles and at prices satisfactory to him, which he has in connection with projects under the Federal reclamation laws.

(c) The provisions of subsections (a) and (b) of this section are cumulative to all other existing authority and shall not be deemed, nor operate as, limitations on the authority provided elsewhere in this Act. Wherever in this Act functions, powers, or duties are conferred upon the Secretary, said functions, powers or duties may be performed, exercised or discharged by his duly authorized representatives.

SEC. 3. The utilization of services or labor of prisoners of war, enemy aliens and American-born Japanese in connection with work undertaken pursuant to the authority of this Act is authorized, subject to the approval of, and regulations by, the War Department or other Federal agency having control of such persons.

SEC. 4 (a). In connection with any irrigation project under the Secretary's jurisdiction, and in connection with any irrigation storage or distribution works constructed pursuant to the authority of this Act, delivery of water may, until one year after the cessation of hostilities determined in accordance with section 7, be made to or for lands of whatever acreage held in single ownership, corporate or otherwise, the Secretary determines to be proper for wartime purposes, without regard to restrictions in existing laws or contracts. Any delivery of water hereunder to land in excess of one hundred and sixty acres of irrigable land or smaller sized farm units established under the Federal reclamation laws, owned by any one landowner shall not entitle the landowner or anyone holding under him or anyone receiving water service for said excess land to continuation of water deliveries to or for said excess land after the date one year after the cessation of hostilities determined in accordance with section 7, it being the hereby declared policy of the Congress that settlement and operation of federally irrigated lands by qualified farmers and their families is the basic reclamation purpose of the United States, and that the operations by the Secretary under this Act shall be directed to the effective carrying out of that basic purpose when hostilities in the present war have ceased and demobilization of the armed forces has commenced.

(b) The Secretary is hereby authorized, for purposes of irrigation farming and related uses, to acquire by purchase lands within the area served by any project under his jurisdiction, or to be served by irrigation or distribution works constructed pursuant to the authority of this Act: *Provided*, That any such acquired lands shall be leased by the Secretary pursuant to the provisions of section 1 for the production of crops declared necessary by the War Food Administration and for related uses.

SEC. 5. The Secretary may enter into agreements to pay annual sums in lieu of taxes to any State or political subdivision thereof with respect to any real property situated therein after it is acquired pursuant to the authority of section 4 (b) of this act: *Provided*, That the amount so paid for any year upon any such property shall not, in any event, exceed the amount of the taxes imposed on such property for the year last prior to the year in which the United States acquired such property.

SEC. 6. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums of money as may be necessary

to carry out the provisions of this Act, including investigations and surveys of work proposed pursuant to this act; and, from such sums appropriated, expenditures may be made for personal services in the District of Columbia and may be made for all objects of expenditure that are specified in the Interior Department Appropriation Act, 1944, under the caption "Bureau of Reclamation, administrative provisions and limitations," without regard to the amounts of the limitations therein set forth. All receipts from operations under this act shall be covered into the Treasury to the credit of miscellaneous receipts.

SEC. 7. No construction of a project or division of a project shall be commenced pursuant to the authority of this act from and after the date 1 year after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress. As soon as practicable after the cessation of hostilities as thus determined, the Secretary shall report to the Congress on the construction and operations undertaken pursuant to this act and shall submit his recommendations for whatever adjustments in project accounts and arrangements for the operations of projects need, in his judgment, be made by reason of activities undertaken pursuant to this act.

SEC. 8. This act may be cited as "The Wartime Reclamation Act of 1943."

STATEMENT OF THE DEPARTMENT OF THE INTERIOR REGARDING A BILL AUTHORIZING
WARTIME CONSTRUCTION AND OPERATION AND MAINTENANCE OF RECLAMATION
PROJECTS

The prime purpose of the bill is to move with speed in the construction and operation of irrigation storage, distribution, and drainage systems that will permit increased production of necessary crops. The War Food Administration knows what crops are necessary and has over-all charge of the food program. Accordingly, the bill would require, preliminary to any construction under its authority, first, that the Secretary of the Interior make a determination of the engineering feasibility of the proposed work, make an estimate of its cost, and make a report to the Federal Food Administrator of the additional acreage which would be made productive by the proposed construction; and second, that the Federal Food Administrator certify that the work is necessary for crops required in the prosecution of the war. With these prerequisites having been met, the Secretary of the Interior would be authorized to proceed with the proposed construction work.

Under the bill, there could be both new construction and improvement of existing works, and work could be undertaken in connection with any project heretofore initiated under the Federal reclamation laws or the so-called Water Conservation and Utilization Project Act, as well as on any other federally or nonfederally owned lands. The authorization would specifically cover work on nonfederally owned lands, so that there could be the construction or improvement of distribution systems or drainage systems on non-Federal irrigation projects, without title to the necessary rights-of-way and other interests in lands and to the works being in the United States.

The bill would also authorize operation and maintenance of irrigation storage, distribution, and drainage systems. It is likely that a wartime program on some of the existing projects under the jurisdiction of this Department, both on those that are completed and those that might be expanded under the proposed legislation, would require a method of operation varying from that contemplated in original plans for the projects and provided for, in some cases, in existing contracts with water users' organizations. For example, approximately 20,000 acres of land can be put under irrigation very quickly on the Roza division of the Yakima project by rushing to completion the construction of a distribution system on which work was stopped last fall by orders of the War Production Board. For wartime purposes, it might be practicable to have the additional acreage cultivated in large holdings and to require payment for the water delivery on a toll-charge basis. Such an arrangement would differ from that originally contemplated for the Roza division and from that provided for in the contract with the Roza irrigation district. Consequently, it might prove to be necessary to make appropriate adjustments. However, such adjustments can best be left until after the war.

Accordingly, in section 7 of the bill it is provided that as soon as practicable after the cessation of hostilities, the Secretary of the Interior shall report to the Congress on the construction and operations undertaken pursuant to the

bill and shall submit his recommendations for whatever adjustments in project accounts and arrangements for the operations of projects needs, in his judgment, be made by reason of activities undertaken pursuant to the bill.

The need for such a report to Congress and for possible adjustment would exist also in connection with new construction or the continuation of construction heretofore commenced, due principally to wartime construction costs. Construction work performed in the last few years, such limited construction work as is proceeding now with the permission of the War Production Board, and such work as might be undertaken under the proposed legislation exceeds greatly in cost the expense of doing such work in peacetime. This Department and its Bureau of Reclamation are proud to have maintained, continuously for 41 years, a sound financial basis under the Federal reclamation program. It is not suggested that that principle of financial soundness be abandoned. It is, however, essential that the reclamation program in wartime be geared to proceed in accordance with wartime requirements. Just as the requirements for copper necessitate the construction at wartime costs of plant facilities to increase production, so do requirements for food require the construction at wartime costs of irrigation project works which will permit intensive cultivation of additional acreage for the production of necessary crops. This Department and its Bureau of Reclamation firmly believe that the Congress in considering adjustments, after having presented to it a report on the wartime activities of the Bureau, should and will adhere to the principle that water users shall repay to the United States whatever part of the construction costs that is within their ability to pay. With adherence to that principle, the Federal wartime investment in food production plant through works constructed by this Department would in substantial part be retained on the books of the Treasury as a financially sound account receivable.

The proposed bill would authorize this Department to clear, level, and prepare lands for the distribution of irrigation water, but with regard to such work on nonfederally owned land the authority would be expressly circumscribed so as to permit such work only with the consent of the ostensible owner and pursuant to a contract with such owner.

Full utilization of works undertaken pursuant to the proposed legislation, and provision of water and power supplies for war production, military establishments and municipal needs may warrant miscellaneous water supply, power or flood-control features as incidental to and a part of the reclamation works undertaken pursuant to the bill. Accordingly, such features would be authorized.

Section 2 of the bill makes it clear that this Department would have in its activities under the bill the same authority, in connection with the construction or operation and maintenance work undertaken pursuant to the bill, that it has in connection with projects undertaken pursuant to the Federal reclamation laws.

Section 3 would give an express authorization for the utilization of services or labor of prisoners of war, enemy aliens, and American-born Japanese subject to the approval of, and regulations by, the War Department or whatever other Federal agency may have control of such persons. If such labor were made available for work performed under the proposed legislation, it would meet a substantial part of the manpower requirements involved, and would permit the useful employment of such persons at work which, due to its character and geographical location, would make the task of maintaining adequate control over such persons comparatively simple.

Section 4 (a) deals expressly with the so-called excess-land problem. For wartime purposes, and limited to the period of the war and 1 year thereafter, there should be such legislative latitude as would permit large-scale operations on irrigation projects, by individuals or corporations. However, any such grant of legislative latitude should be coupled with an express reiteration of the basic reclamation purpose that the Federal reclamation program should provide for individual settlement of irrigated lands by qualified farmers and their families. That policy has been constant throughout the Federal reclamation laws from the date of the basic act, June 17, 1902, and, while it is desirable that the Congress relax that policy for wartime purposes, any such relaxation should be coupled with a legislative direction that there shall be a return to the basic policy when hostilities in the present war have ceased and demobilization of the armed forces has commenced. The wartime relaxation provided for in the proposed bill is accompanied by such a direction.

Many Members of the Congress have already evidenced their interest in having the reclamation program serve again as it did after the First World War to

provide opportunities for individuals to shift, with a minimum of economic and social dislocation, from the destructive business of war to the constructive business of developing farms productive of solid family life and economic self-sufficiency.

With an ultimate view to such a post-war purpose, but an immediate view to facilitating in some situations wartime irrigation and related farm operations, section 4 (b) would authorize the acquisition by purchase of farm lands in the area to be served by irrigation works. The authority proposed is not the broad one "to acquire," which has been construed to include the authority to condemn. It is limited to the authority to acquire "by purchase." There is no apparent occasion to condemn land for agricultural purposes. There may be, however, situations in which owners of sage-brush land, grazing or dry-farming land would rather sell than engage in irrigation farming. Some owners of presently irrigated land may want to sell. In such situations there should be authority to buy from such owners. However, there is no apparent occasion for the Bureau of Reclamation to engage in the farming business. Consequently, section 4 (b) expressly provides that any such acquired lands shall be leased for the production of crops declared necessary by the War Food Administration and for related uses. Under section 1 any such lease may not be for a period longer than 5 years. Thus within a comparatively short period the acquired lands can be made available by the Congress for post-war farm settlement on an ownership basis.

Since the acquisition of any such lands would reduce the tax base of the State and local governments, section 5 would authorize agreements to make payments in lieu of taxes. As the land when developed by irrigation and returned to private ownership in the post-war period will be very substantially increased in taxable values by reason of the Federal investment and development, it is fair and adequate that the local tax bodies be made whole during the short period of Federal ownership. Section 5 provides therefore that the maximum amount of such payments shall be the amount of the tax imposed on any such property for the last year prior to the year in which the United States acquired such property. However, there may be some situations in which, due to the character of the previous use or the nonuse of such property in the past few years, the amount of the taxes has been disproportionately large, and the payments accordingly should be less than the maximum allowable. Also, it is possible that in some situations it would be practicable and advisable to tie the amount of the payments in lieu of taxes to the receipt of lease rentals from the land in an amount at least sufficient to meet the payments. It might be practicable in some situations to group several holdings of acquired lands in agreements with the local tax bodies. The situations as regards this tax problem are sure to be varied and, accordingly, there should be latitude in the authority granted so that the agreements can be varied to meet different situations, with the ceiling on any such payments as expressly set forth in the bill.

Under the authorization in section 6 for appropriations to carry out the purposes of the bill, there could be either lump-sum appropriations or appropriations separately for the various projects. All receipts in connection with operations under the bill would be covered into the Treasury to the credit of miscellaneous receipts, and accordingly there would have to be appropriations for all activities, including construction, operation, and maintenance, and payments in lieu of taxes. It is probable that some of the receipts which would be placed to the credit of miscellaneous receipts would be such as under existing law would be covered into the reclamation fund. However, operations under the bill inevitably would involve many and various complications in accounting, particularly where construction or operations under the proposed legislation are undertaken in connection with a project heretofore initiated. Rather than expend the time and manpower involved in attempting to work out these complicated accounting problems at this time, it is believed that the best interests of the United States would be served by covering all receipts from operations under the bill into the Treasury to the credit of miscellaneous receipts and leaving necessary adjustments in accounting to determination by the Congress after the war.

Section 7 would limit the authority to commence construction under the authority of the bill to the period ending 1 year after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress.

In general, the bill would streamline the reclamation procedures so that the wartime job of the Bureau of Reclamation can be accomplished simply and

speedily. Considerable discretionary authority would be provided. However, a frequent congressional check on the exercise of the authority granted would be effected at the times of congressional consideration of the appropriations that would be necessary to carry on the work. Furthermore, the final relation of what is done under the wartime act to the peacetime reclamation program would be a matter for congressional determination at an early date after the cessation of hostilities.

Mr. CHEADLE. In addition to those documents, there is a report of the Department dated June 25, 1943, addressed to Senator Bankhead, reporting on S. 1257. The recommendation of the Department is that the bill be enacted if amended along the line of suggestions made in certain paragraphs of the letter.

As the Secretary points out in his letter, the draft of the bill has several differences—or I should say that S. 1257 has several differences when compared to the draft of bill submitted to Senator Hayden. One of those differences, the Department believes, is of serious consequence. The others do not change the substance of the bill, and in two instances make very definite improvements. Consequently, I shall address myself only to that one which is of concern to the Department.

I suggest, for the convenience of the members of the committee, that I might hand out mimeographed copies of the Secretary's report and refer you to the last paragraph on page 2.

(The report referred to is as follows:)

DEPARTMENT OF THE INTERIOR,

Washington, June 25, 1943.

Hon. JOHN H. BANKHEAD,

Chairman, Committee on Irrigation and Reclamation,

United States Senate.

MY DEAR SENATOR BANKHEAD: Reference is made to your letter of June 24, requesting a report by this Department on S. 1257, a bill authorizing wartime construction and operation and maintenance of reclamation projects:

I recommend enactment of this bill, if it be amended along the line of suggestions made in the following paragraphs of this letter.

The need for a wartime reclamation act springs from the increasingly critical food situation that confronts the United States both at home and abroad. Irrigation developments can and should take an important part in the vitally necessary program for the expansion of production of crops necessary in the prosecution of the war. That is a matter of fact. The Congress and this Department have been aware of that fact throughout the war period, even in the earlier part of it when consideration of shortages in food was a matter of foresight rather than hindsight. A substantial program for the construction of reclamation works was under way last year with moneys provided by the Congress, but most of that work was halted late last year by the War Production Board. That program should be resumed and should go forward full tilt. In addition, there should be additional new and supplemental irrigation works undertaken wherever such works will provide additional production of the necessary crops within the estimated period of the war and 2 years thereafter.

Mr. Chester Davis, War Food Administrator, has pointed out that the demand for food will be even greater for at least 2 years after the war has been won than it will be during the war. He has also stated that—

"Our present food-production resources in established areas already are operating at capacity; therefore, the only means of increasing the output would be through development which will permit more intensive cultivation. * * *

"The 18 Western States afford many excellent opportunities for expanding production of the foods in greatest need, such as dry beans, dry peas, potatoes, and dairy products. Through the development of additional irrigation acreage, production of these foods can be increased in certain and stable amounts without in any way sacrificing the output of other essential crop and livestock products."

The statement of Mr. Davis is set forth at greater length in the report of the Senate Committee on Appropriations on the Interior Department Appropriation bill, 1944 (Rept. No. 319, 78th Cong., 1st sess.) In that report, the Senate Com-

mittee on Appropriations, after noting that time is of the essence in the construction of irrigation facilities for war food production, recommended "that the Bureau of Reclamation use funds appropriated to prosecute with all the vigor possible the construction of irrigation facilities with minimum of critical materials." That committee further stated in its report:

"In furthering wartime construction for food production, the Bureau of Reclamation should plan the work so as to be of the greatest possible permanent benefit to the projects, the communities in which they are located, and the country. The Bureau has a particular responsibility for utilizing for food production public lands which can be irrigated quickly, and which will offer settlement opportunities at the close of the war for returning service men and emergency industrial workers on such projects as the Gila (Arizona), All-American Canal (California), and Riverton and Shoshone, Heart Mountain Division (Wyoming)."

In connection with the hearings on the Interior Department appropriation bill, 1944, Senator Hayden, of the subcommittee in charge of the hearings, requested Acting Commissioner Bashore of the Bureau of Reclamation to be prepared to discuss at the hearings "possible legislation which might be required in order to expedite construction of irrigation facilities during the war."

In response to that request, I wrote to Senator Hayden on June 7 and transmitted with my letter a draft of bill and an explanatory statement. A copy of that letter, draft of bill, and statement are enclosed for the consideration of your committee. I shall not repeat in this letter that statement's explanation of the provisions of the proposed legislation.

S. 1257 is in most respects in the form of the draft of bill I transmitted to Senator Hayden. There are, however, several differences. One is of serious consequence in my judgment. The others do not materially affect the substantive provisions, and in two instances make definite improvements in the draft of bill prepared in this department.

The one change of consequence is a deletion in the last part of section 1. Set forth below is that part, with the language which is in the draft of bill I submitted to Senator Hayden but which does not appear in S. 1257, shown in parentheses and italicized.

"Activities pursuant to this act may be undertaken on lands in any project heretofore initiated under the Federal reclamation laws or the so-called Water Conservation and Utilization Project Act of August 11, 1939 (53 Stat. 1418), as amended, as well as on any other federally or nonfederally owned lands. (*Municipal or miscellaneous water supply, electric power, or flood-control features may be constructed, operated, and maintained by the Secretary as incidental to and part of reclamation work undertaken pursuant to this Act. The authority of this act shall be exercised by the Secretary in whatever manner and on whatever terms he determines to be most effective for wartime purposes.*) *Provided*, That no nonfederally owned lands shall be cleared, leveled, or prepared for distribution of irrigation water except by and with the consent of the owner and pursuant to contract therefor with said owner."

I think it is clear that municipal and miscellaneous water supplies, electric power and flood control features should be authorized to be undertaken under the wartime act as incidental to and part of the reclamation work. Of course, no such feature, in fact no construction work under the proposed legislation, could be undertaken without priorities for materials granted by the War Production Board upon a determination by that organization that the proposed construction should be included in the war production program.

This year we have had a painful demonstration of the damage to agricultural production that can result from floods. If in connection with an irrigation development some flood control capacity can justifiably be provided in the reservoir, it would be in the national interest to include flood control as a feature of the project. Some of the farms recently flooded in the bottom lands along the Boise River in Idaho would have suffered less or not at all, if the Anderson Ranch Dam were completed and in operation. That dam and the reservoir behind it will serve irrigation, flood control, and power. The War Food Administrator recently has recommended that construction of the Anderson Ranch Dam, exclusive of power facilities, be resumed. Construction of the Lugert-Altus project in Oklahoma is being continued, under an exception in the War Production Board's stop order, for the purpose of providing a water supply for the city of Altus and nearby military establishments. The War Production Board when it stopped construction on the Colorado-Big Thompson project excepted the Green Mountain Dam and power plant because the power from that almost

completed plant is needed for war industry loads in Colorado. A feature of the Provo River project in Utah is an aqueduct to furnish a municipal water supply to the metropolitan water district of Salt Lake City. Construction was stopped about halfway to completion, but the time may soon come when it will be essential to rush that aqueduct to completion in order to provide a municipal water supply for an area in which the population has been swollen by the establishment of war industries and military centers.

I mention these four projects because they are four actual cases of multiple-purpose projects involving, as a group, municipal and miscellaneous water supply, electric power, and flood-control features, as well as irrigation. It is not within my existing authority, and would not be if S. 1257 were enacted with the omitted language restored, to decide whether construction of the municipal water supply feature of the Provo River project should be resumed as a part of the war program. It is not, and would not be, within my authority to decide whether or when the war production requirements for power necessitate the construction of power plants on the east-slope side of the Colorado-Big Thompson project below the Continental Divide Tunnel. The War Food Administrator recently has recommended to the War Production Board that the stop order on construction of the tunnel be lifted so that supplemental water can be brought to a vast area of lands, already irrigated, in northeastern Colorado on who production can be increased substantially by furnishing supplemental water. And the time may come when power requirements of war industries in the area will necessitate construction of the power plants through which the water can be dropped on its way from the Continental Divide Tunnel to the farm lands.

My suggestion is merely this, but it is important: If and when such multiple-purpose features of reclamation projects are justifiable works in terms of war needs, it would be most unfortunate if authority to build them were not within the scope of a wartime reclamation act.

Such features on the four projects mentioned above are already authorized and could be constructed to completion without the enactment of S. 1257. Those projects were found feasible under existing law and were undertaken prior to Pearl Harbor. However, actual costs of constructing them under wartime conditions far overrun the original estimates of costs. To the extent the features of those projects mentioned above are constructed in wartime for wartime purposes, I think they should be constructed within the scope of a wartime reclamation act. The Bureau of Reclamation and I do not want, ostrichlike, to hide our heads in the sands of pre-Pearl Harbor estimates of costs.

For such new work, not presently authorized, as might be undertaken pursuant to S. 1257, the necessity of the omitted language is far greater; it is almost imperative. Without such language the bill would be of doubtful usefulness in many instances.

If the Congress be uncertain of the propriety of building such features in wartime, I suggest that there be added a proviso that would prohibit expenditures under the authority of S. 1257 for the construction of any such feature except from an appropriation specifically made therefor. Thus specific consent of the Congress, through specific appropriation, would be a prerequisite to the undertaking of any such feature under S. 1257.

S. 1257 does not carry any provision regarding the terms of charges for works constructed and for irrigation, municipal and miscellaneous water supplies and electric power that would be furnished under the bill (if multiple-purpose features where authorized). The officials of the Bureau of Reclamation, who prepared the draft of bill which I submitted to Senator Hayden on June 7, advised me that the situations they foresaw were so varied they were unable to draft any formula of general application. And they do not pretend to be able to foresee all of the situations they may be called on to meet in a wartime reclamation program. Consequently, they proposed the language which does not appear in S. 1257: "The authority of this Act shall be exercised by the Secretary in whatever manner and on whatever terms he determines to be most effective for wartime purposes." They have advised me that since S. 1257 is silent on the matter of charges, the charges probably could be made, if S. 1257 were enacted as introduced, on whatever terms were determined to be most effective for wartime purposes. I would, however, very much want that matter made clear as a matter of legislative history if S. 1257 were so enacted.

The Bureau of Reclamation believes that the draft of general language submitted on June 7 is definitely preferable. However, it has prepared substitute

language which is confined to the matter of charges and which might be preferred by the Congress if it be concerned about the generality of the language first proposed. The Bureau believes the substitute language would be adequate for the situations they foresee. I hope it would be adequate also in situations that no one can now foresee.

The amendments of S. 1257 suggested in this letter, if adopted, could be accomplished by changing the colon to a period in line 17 of page 2 of the bill and by inserting after the period the following: "Municipal or miscellaneous water supply, electric power, or flood control features may be constructed, operated and maintained by the secretary as incidental to and part of reclamation work undertaken pursuant to this Act: *Provided*, That no expenditures under the authority of this Act for the construction of any such feature shall be made except from an appropriation made specifically therefor. Charges for works undertaken and for irrigation, municipal and miscellaneous water supplies and electric power shall be on whatever terms the Secretary determines to be most effective for wartime purposes, and shall be covered in the annual report required of the Secretary under section 7."

If the suggested amendment were adopted, then as a matter of form it would be well to strike the two following words: "*Provided*, That"; and to capitalize the first letter in the word "no".

There would be little point in attempting a wartime reclamation program unless its legislative framework were adequate for wartime purposes that must be carried out in wartime conditions. Adequate legislation is necessary if reclamation development is to be utilized to the utmost in helping to meet the critical food shortage.

I have not been able to obtain the views of the Bureau of the Budget on the proposed legislation prior to making this report for consideration at the hearing on the bill, which I understand you plan to hold this month. Consequently, I am unable to advise whether the enactment of the bill would be in accordance with the program of the President.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

Mr. CHEADLE. The one change of consequence is a deletion—from the Department's draft of the bill—in the last part of section 1. Set forth below there on that letter is the Senate bill with a language which did appear in the Department's draft and which does appear in the Senate bill. It is shown in parentheses and is also italicized.

Senator CHAVEZ. That is what was deleted from the Senate version?

Mr. CHEADLE. From the Department's version.

Senator McCARRAN. Is it the recommendation of the Department that that be reinstated?

Mr. CHEADLE. We have suggested, Senator McCarran, and we feel very definitely that there needs to be authorization for those various multiple-purpose features. The Secretary points out in his letter that he would not have the authority under S. 1257 as introduced and that if it be determined that such features should be undertaken, then certainly the scope of the Wartime Reclamation Act should be broad enough to include them. We suggest substitute language which appears on the last page of the report.

The first sentence would be included, but there would be added to it the proviso:

That no expenditures under the authority of this act for the construction of any such feature shall be made except from an appropriation made specifically therefor.

I might say that the bill, as introduced in the Senate authorizes appropriations generally. They might be lump sums. They might be specific for specific projects. This proviso would require that no flood control, municipal or miscellaneous water features or power

features be undertaken unless there be a specific appropriation for that feature, so that it would be approved by the Congress through specific appropriation.

The other language deleted was the general language:

The authority of this act shall be exercised by the Secretary in whatever manner and on whatever terms he determines to be most effective for wartime purposes.

Senator McCARRAN. That was stricken?

Mr. CHEADLE. That was stricken; that is correct. We know that is general. As the Secretary states in his report, the bill was drafted by Reclamation officials. We know that there is such a variety of situations that we are going to meet in any wartime reclamation program that we could not, although we tried, find any formula, particularly as regards water projects, to meet all the situations we foresaw, and we know that it is impossible to foresee them all. We have drafted substitute language which also appears on the last page of the report which we believe will be adequate to meet the situations we foresee. We cannot say whether it will be adequate for others. It is confined to the matter of charges.

Senator CHAVEZ. That is the last proviso?

Mr. CHEADLE. It is the sentence following the proviso on the last page of the report, Senator Chavez. To take the place of that general language, the amendment is:

Charges for works undertaken and for irrigation, municipal and miscellaneous water supplies and electric power shall be on whatever terms the Secretary determines to be most effective for wartime purposes, and shall be covered in the annual report required of the Secretary under section 7.

The revision made in the Department's draft of the bill before it was introduced in the Senate not only requires a report by the Secretary after the war, but also requires that he report annually during the war, and in the revised language that we have here, not only is that matter of authority confined to the matter of charges, but also the Secretary will be required to report to the Congress each year on such charges as have been determined.

Senator McCARRAN. Does that permit the Secretary to go into the acquisition or construction of miscellaneous power projects without first getting an appropriation for the specific power projects from the Congress?

Mr. CHEADLE. No, sir. Under the proviso there he cannot go into the construction under this act of any of those miscellaneous or multiple purposes, without a specific appropriation for it by the Congress.

Senator McCARRAN. I am dwelling now on the language: "Municipal," which I think addresses itself to the subject you have under consideration:

Charges for works undertaken and for irrigation, municipal and miscellaneous water supplies and electric power shall be on whatever terms the Secretary determines to be most effective for wartime purposes, and shall be covered in the annual report required of the Secretary—

and so forth, which does not mean very much.

Senator CHAVEZ. I think the first proviso, Senator McCarran:

Provided, That no expenditures under the authority of this act for the construction of any such feature shall be made except from an appropriation made specifically therefor.

Senator McCARRAN. That is all right. That addresses itself, however, not to the matter we are now considering in the bill, but to a different provision of the bill.

Mr. CHEADLE. The language deleted, Senator McCarran, all appeared in one place. As noted at the bottom of page 2, the language which was deleted referred to municipal or miscellaneous water supply, and so forth, and also there was deleted the following sentence reading:

The authority of this act shall be exercised by the Secretary in whatever manner and on whatever terms he determines to be most effective for wartime purposes.

Senator McCARRAN. That is a carte blanche order for the author of this bill to go too far.

Mr. CHEADLE. We grant it was carte blanche; yes.

We felt we might need it. We did not know how to be more specific. We have suggested this amendment now, which we feel confident will meet the problems we can foresee in connection with water charges. We may need to make toll charges instead of long-term contracts in connection possibly with large-scale operations by a corporation on some of our projects. We think that for our problem of charges the substitute language we have used is as specific as it can be, and we believe that the general language, about which you were concerned, is tied down to the matter of charges in our substitute language. Of course, as regards any of those miscellaneous features or projects, there won't be any charges unless that feature is built, and it cannot be built unless the Congress makes a specific appropriation for it.

Senator McCARRAN. I will be very frank with you and say that some of us are concerned about this matter, and we do not propose to turn an irrigation reclamation project into a power project and then turn it over to the Secretary of the Interior. That is our thought. If the language which you suggest here goes around that thought or sets that thought aside or it is suggested for the purpose of deleting that thought, I, for one, will be opposed to it.

Mr. CHEADLE. I do not believe it is. You will notice that the first sentence regarding those features provides that they may be constructed, operated, and maintained as incidental to and part of reclamation work undertaken pursuant to this act.

Senator McCARRAN. That is very true. In other words, all power projects may be incidental or any power project may be incidental to a reclamation project. As a rule, the reclamation project has a power project incidental to it. It furnishes opportunity for power, and if the power be for the project, for the benefit of the project, for the furnishing of power within the project, that is all right. That is all a part of the agricultural set-up, that those who reclaim the land who raise crops and make communities might have the benefit of the power project to assist them in paying off the overburden, and so on and so forth, but if it would be for the purpose of setting up independent power control in the Secretary in the various communities of this country, I think you will find very distinct opposition on the part of the Congress.

Mr. CHEADLE. I believe the substitute language we have proposed meets that concern, because it prohibits the Secretary from under-

taking any such feature behind which the Congress might then think there was an undesirable objective. If it should be of that view, it could refuse to make a specific appropriation and that feature could not be undertaken without the approval of Congress, through specific appropriation for the feature.

Senator McCARRAN. I think that is all right. I have in mind now, and I use it as illustration only, the so-called tie-in line between the Shasta substation and the Oroville station now in controversy here in Congress. If Congress makes an appropriation for the building of that line, that is the work of Congress. That is all right. No one can complain about that, because it is the act of Congress. If, on the other hand, there should be legislation proposed that would go around the Congress for the building of that line, when Congress had not appropriated for it, Congress certainly would be opposed to anything of that kind, so I am watching this language with a great deal of care to see that it does not attempt to do that thing. That is, it does not attempt to build the power project or power line against the will of Congress.

Mr. CHEADLE. If I may illustrate this by reference to the same example you have given, the Senate, I believe, recommended certain money for the project with a specific item.

Senator McCARRAN. \$1,900,000.

Mr. CHEADLE. \$1,900,000; yes, for the Shasta-Oroville line.

Senator CHAVEZ. And separated the items.

Mr. CHEADLE. That is right.

Senator McCARRAN. And that is now in conference.

Mr. CHEADLE. That is correct. If that should be deleted, not included, and if the Congress should, assuming S. 1257 to be enacted with the proposed amendment, if Congress should make a lump sum appropriation under S. 1257, the Secretary would be specifically prohibited from using any of that lump-sum money to build the Shasta-Oroville line, because he could not spend any money under this bill on such a feature unless he got specific appropriation.

Senator McCARRAN. All right. If that is your interpretation, I do not think you will have very much trouble.

Mr. CHEADLE. That is, sir.

Senator McCARRAN. Any questions?

(No response.)

Senator McCARRAN. Have you concluded your explanation, Mr. Cheadle?

Mr. CHEADLE. Yes, I have.

Senator McCARRAN. Senator McFarland, any questions?

Senator BUTLER. No.

Senator McCARRAN. Senator Chavez?

Senator CHAVEZ. No.

Senator McCARRAN. Senator McFarland, any questions?

Senator McFARLAND. No.

Senator McCARRAN. Senator Millikin?

Senator MILLIKIN. No.

Mr. CHEADLE. I might confess I have not attempted to describe this bill fully, but there is a comprehensive brief description of it in the statement accompanying the letter to Senator Hayden, and that has been inserted in the record.

Senator McCARRAN. Yes.

Has the Reclamation Bureau anything to say further?

Mr. BASHORE. I believe it has been covered pretty well; thank you.

Senator McCARRAN. Are there any questions from anyone in attendance here on either of these bills?

(No response.)

Senator McCARRAN. Very well, what is the pleasure of the committee?

Senator McFARLAND. I move that the bill be reported favorably.

Senator McCARRAN. It will have to be amended.

Senator CHAVEZ. I think we ought to discuss this among ourselves.

Senator McCARRAN. Very well, we will discuss this in executive session.

Have you another report on this other bill?

Mr. CHEADLE. That is 1256, S. 1256. I understand that, although it talks about reclamation in its title, it really relates to a matter of the General Land Office law rather than the Bureau of Reclamation law, and I had word from the Solicitor's office early this afternoon that Senator Scrugham, I believe, who introduced the bill, had concluded that he would be agreeable if it were not brought up today.

I do not represent the Department at all in connection with this bill, sir, and so far as I am aware the Department has not yet made a report on it.

Senator McCARRAN. Very well, we will take no action on it at this time.

Mr. CHEADLE. May I suggest, not as a matter of record but for the convenience of the committee, that I have on separate sheets of paper here the proposed amendment.

Senator McCARRAN. To S. 1257?

Mr. CHEADLE. Correct. There are a number of copies.

It is identical with the proposed language set forth in the Secretary's report.

Senator McCARRAN. Very well.

The committee thanks you gentlemen for your kind attention here and assistance in this matter.

The committee will be in executive session.

(At this point the committee retired into executive session and subsequently reported S. 1257 with amendments, as follows:)

[S. 1257, 78th Cong., 1st sess.]

[Omit the part in black brackets and insert the part printed in italic]

A BILL Authorizing wartime construction and operation and maintenance of reclamation projects

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of increasing production of crops required in connection with the prosecution of the war, the Secretary of the Interior (hereinafter called the "Secretary") is authorized to construct or improve, and to operate and maintain irrigation storage, distribution, and drainage systems and related facilities on federally or nonfederally owned lands in the seventeen westernmost States; to clear, level, and prepare such lands for distribution of irrigation water; and to lease, for a period not exceeding five years, federally owned or controlled lands for the production of such crops and for related uses. No construction of irrigation storage, distribution, or drainage systems shall be undertaken by the Secretary pursuant to this Act until he shall have made (1) a determination of the engineering feasibility of such work, (2) and estimate of the cost thereof, and (3) a report to the Federal Food Admin-

istrator of the additional acreage which may be made productive thereby, and until said Administrator shall have certified that said work is necessary for the production of crops required in connection with the prosecution of the war. Activities pursuant to this Act may be undertaken on lands in any project heretofore initiated under the Federal reclamation laws or the so-called Water Conservation and Utilization Project Act of August 11, 1939 (53 Stat. 1418), as amended, as well as on any other federally or nonfederally owned lands [; Provided, That no]. *Municipal or miscellaneous water supply, electric power or flood-control features may be constructed, operated, and maintained by the Secretary as incidental to and part of reclamation work undertaken pursuant to this Act: Provided, That no expenditures under the authority of this Act for the construction of any such feature shall be made except from an appropriation made specifically therefor. Charges for works undertaken and for irrigation, municipal and miscellaneous water supplies and electric power shall be on whatever terms the Secretary determines to be most effective for wartime purposes, and shall be covered in the annual report required of the Secretary in section 7. No nonfederally owned lands shall be cleared, leveled, or prepared for distribution of irrigation water except by and with the consent of the owner and pursuant to contract therefor with said owner.*

SEC. 2. (a) In connection with any construction or operation and maintenance pursuant to the provisions of this Act, the Secretary shall have the same authority, with regard to the utilization of lands owned by the United States, as he has in connection with projects undertaken pursuant to the Federal reclamation laws, Act of June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

(b) In connection with investigations, construction, or operation and maintenance undertaken pursuant to the authority of this Act, the Secretary shall have with respect to construction contracts, purchase of supplies and equipment, procurement of services, and the expenditure of contributed funds; with respect to the acquisition, exchange, and disposition of lands, interests in lands, water rights, and other property and the relocation thereof; and with respect to other matters relating to such investigations, construction, or operation and maintenance, the same authority, including authority to acquire lands and interests in lands and water rights with titles and at prices satisfactory to him, which he has in connection with projects under the Federal reclamation laws.

(c) The provisions of subsections (a) and (b) of this section are cumulative to all other existing authority and shall not be deemed, nor operate as, limitations on the authority provided elsewhere in this Act. Wherever in this Act functions, powers, or duties are conferred upon the Secretary, said functions, powers or duties may be performed, exercised, or discharged by his duly authorized representatives.

SEC. 3. The utilization of services or labor of prisoners of war, enemy aliens, and American-born Japanese in connection with work undertaken pursuant to the authority of this Act is authorized, subject to the approval of, and regulations by, the War Department or other Federal agency having control of such persons.

SEC. 4. (a) In connection with any irrigation project under the Secretary's jurisdiction, and in connection with any irrigation storage or distribution works constructed pursuant to the authority of this Act, delivery of water may, until one year after the cessation of hostilities determined in accordance with section 7, be made to or for lands of whatever acreage held in single ownership, corporate or otherwise, the Secretary determines to be proper for wartime purposes, without regard to restrictions in existing laws or contracts. Any delivery of water hereunder to land in excess of one hundred and sixty acres of irrigable land or smaller-sized farm units established under the Federal reclamation laws, owned by any one landowner, shall not entitle the landowner or anyone holding under him or anyone receiving water service for said excess land to continuation of water deliveries to or for said excess land after the date one year after the cessation of hostilities determined in accordance with section 7, it being the hereby declared policy of the Congress that settlement and operation of federally irrigated lands by qualified farmers and their families is the basic reclamation purpose of the United States, and that the operations by the Secretary under this Act shall be directed to the effective carrying out of that basic purpose when hostilities in the present war have ceased and demobilization of the armed forces has commenced.

(b) The Secretary is hereby authorized, for purposes of irrigation farming and related uses, to acquire by purchase lands within the area served by any project

under his jurisdiction, or to be served by irrigation or distribution works constructed pursuant to the authority of this Act: *Provided*, That any such acquired lands shall be leased by the Secretary pursuant to the provisions of section 1 for the production of crops declared necessary by the War Food Administration and for related uses.

SEC. 5. The Secretary may enter into agreements to pay annual sums in lieu of taxes to any State or political subdivision thereof with respect to any real property situated therein after it is acquired pursuant to the authority of section 4 (b) of this Act: *Provided*, That the amount so paid for any year upon any such property shall not, in any event, exceed the amount of the taxes imposed on such property for the year last prior to the year in which the United States acquired such property.

SEC. 6. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums of money as may be necessary to carry out the provisions of this Act, including investigations and surveys of work proposed pursuant to this Act; and, from such sums appropriated, expenditure may be made for personal services in the District of Columbia and may be made for all objects of expenditure that are specified in the Interior Department Appropriation Act, 1944, under the caption "Bureau of Reclamation, Administrative Provisions and Limitations", without regard to the amounts of the limitations therein set forth. All receipts from operations under this Act shall be covered into the Treasury to the credit of miscellaneous receipts.

SEC. 7. No construction of a project or division of a project shall be commenced pursuant to the authority of this Act from and after the date one year after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress. The Secretary shall annually report to the Congress on constructions and operations under this Act and, as soon as practicable after the cessation of hostilities as thus determined, the Secretary shall submit a complete report to the Congress on construction and operations undertaken pursuant to this Act and shall submit recommendations for whatever adjustments in project accounts and arrangements for the operations of projects need, in his judgment, be made by reason of activities undertaken pursuant to this Act.

SEC. 8. This Act may be cited as the "Wartime Reclamation Act of 1943."

So Mr. RUSSELL's motion was rejected.

Mr. RUSSELL. I move that the Senate further insist on its amendments still in disagreement, request a further conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate at the further conference.

The motion was agreed to; and the Vice President appointed Mr. RUSSELL, Mr. HAYDEN, Mr. TYDINGS, Mr. BANKHEAD, Mr. SMITH, Mr. NYE, and Mr. McNARY conferees on the part of the Senate at the further conference.

WATER CONSERVATION AND UTILIZATION PROJECTS

During the course of the debate relating to crop insurance,

Mr. McCARRAN. Mr. President, I ask unanimous consent that the Senate proceed to consider Senate bill 1252. I have discussed the matter with the majority and minority leaders, and have received their approval for consideration of the measure.

The PRESIDING OFFICER. The title of the bill will be stated for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1252) to amend the act of August 11, 1939 (53 Stat. 1418), as amended by the act of October 14, 1940 (54 Stat. 119), relating to water conservation and utilization projects.

Mr. LANGER. Mr. President, I object.

Mr. McCARRAN. Mr. President, do I correctly understand that the Senator from North Dakota objects to the consideration of this bill, and another bill of similar nature? Let me say to the Senator that these two bills are exceedingly important in connection with the program for food production, and are in keeping with the desires of the Food Administrator, with the idea that we may have a greater production of food in the sections of the country where production of food is made available by irrigation.

Mr. LANGER. Mr. President, I have no objection to consideration of the measure provided these proceedings will be placed in the Record following my discussion of the question of crop insurance. Several Senators have already discussed crop insurance, and it is my purpose to say a few words about it.

Mr. McNARY. Mr. President, the Senator from North Dakota desires to speak on the important subject of crop insurance, and wishes his remarks on the subject to be placed in the Record immediately following the speech made by the senior Senator from North Dakota, and the discussion which followed his speech.

Mr. LANGER. Yes.

Mr. McNARY. The Senator from North Dakota does not wish to yield if the consideration of the bill will lead to discussion.

Mr. McCARRAN. I will say that I do not believe consideration of the two bills which I propose to take up will lead to extended discussion, but if the Senator from North Dakota is of a different mind, and believes that too great a break would occur in the sequence of the discussion in which he is interested, I will not press the matter.

Mr. LANGER. Mr. President, I withdraw my objection.

The PRESIDING OFFICER. The Chair will say that he had agreed to recognize the junior Senator from North Dakota following the speech of the senior Senator from North Dakota. He understood, however, that the Senator from Nevada had conferred with the junior Senator from North Dakota about two bills; that is the reason why the Senator from Nevada was recognized.

Mr. McNARY. I ask unanimous consent that the matter now under discussion be placed in the Record following the speech to be made by the junior Senator from North Dakota.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HILL. May I ask the Senator from Nevada, are the projects covered by the bill located in more than one State?

Mr. McCARRAN. Yes, the projects are located in 17 States. They are projects which come under two acts of Congress, one known as the Wheeler-Case Act, and the other the General Reclamation Act.

Senate bill 1252 would amend the Wheeler-Case Act so certain irrigation projects may be authorized, and appropriations therefor made when, as and if Congress makes appropriations. Both bills are approved by the Secretary of the Interior. They are approved by the Food Administrator. They have received unanimous vote in the Senate Committee on Irrigation and Reclamation.

Mr. HILL. Are all Senators from the 17 States in question in full agreement concerning the bill?

Mr. McCARRAN. I should say emphatically "yes." So far as I know, they all are in agreement respecting the bill.

Mr. HILL. I understood the Senator to say that the Secretary of the Interior has approved the bill, also the Food Administrator, as well as the Senators from the 17 States involved, and that the bill has received the unanimous approval of the Committee on Irrigation and Reclamation.

Mr. McCARRAN. That is true, Mr. President. There is a letter in the Record from the head of the War Production Board in which he gives his approval in principle to the policy of the bill.

Mr. HILL. The head of the War Production Board has joined with the Secretary of the Interior and the Food Administrator in favoring the bill.

Mr. McCARRAN. Yes.

Mr. O'MAHONEY. Mr. President, it may be appropriate to state that the Senate, in the Interior Department appropriation bill, has already taken action on appropriation for reclamation, which is altogether in harmony with the measure which the Senator from Nevada is now urging upon the Senate.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. TAFT. That is what I wanted to ask. What relation have the two bills referred to by the Senator from Nevada to the projects which were approved in the Interior Department appropriation bill recently passed?

Mr. McCARRAN. No appropriations have been made for the purposes set forth in the two bills. They merely provide authorizations. The appropriations would have to come when, as, and if the Secretary of the Interior, after having made survey and examination of the land, should see fit to ask Congress for an appropriation.

Mr. TAFT. What relation have the bills to the action we took recently in the Interior Department appropriation bill?

Mr. McCARRAN. They have no relation whatever to that action, except that the Interior Department appropriation bill carries sanction for the provisions contained in the bill. No appropriation is now proposed to be made for the purposes of these bills.

Mr. McNARY. Mr. President, may I ask if the proposal would require additional and favorable reports from the Director of the Bureau of the Budget, and action on the part of the Committee on Appropriations? I call attention to the fact that the Interior Department appropriation bill is now in conference.

Mr. McCARRAN. Yes.

Mr. McNARY. The report I have received is that the House is not going to yield even with respect to the projects contained in the appropriation bill.

Mr. McCARRAN. I understand that statement to be correct.

Mr. McNARY. So there is no relation in any way existing between the two bills and the Interior Department appropriation bill?

Mr. McCARRAN. There is no relation whatever.

Mr. HILL. Are both bills to which the Senator from Nevada has referred Senate bills?

Mr. McCARRAN. Both are Senate bills. Both bills have been approved by the Committee on Irrigation and Reclamation.

Mr. HILL. The bills were approved by unanimous report of the Committee on Irrigation and Reclamation, as I understand.

Mr. McCARRAN. Yes.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. McCARRAN. I yield.

Mr. AIKEN. I have not had time to read either bill. It is my understanding from a glance at the first paragraph of Senate bill 1252 that no more than \$2,000,000 can be charged to irrigation, or \$500,000 to flood control, on any one project. Does that provision refer to previously authorized projects only?

Mr. McCARRAN. Not altogether. Let me explain the matter to the Senator. Projects were previously authorized in which the W. P. A. and the Civilian Conservation Corps were involved. The W. P. A. and the Civilian Conservation Corps are out of the picture, so the bill would provide authority for appropriations, hereafter to follow, for the completion of the projects on which those agencies were working when they were put out of existence, and also, if the Secretary of the Interior should see fit to do so, to go forward under the Wheeler-Case Act, which is a law now, applying to the arid

and semiarid regions of the West for small projects. The bill deals only with small projects in connection with which no great amount of money is involved in any instance, but where 160 acres or more of land may be put into production quite promptly.

Mr. AIKEN. The bill would not have any effect at all on the so-called public power projects, would it?

Mr. McCARRAN. Not at all. I specifically queried the Department of the Interior on that subject. No such matters are involved. Some power may be developed on some of the projects; but if power is developed, its use is limited to utilization within the project itself, not for sale to or to be utilized by the public generally.

Mr. AIKEN. If a dam costs \$4,000,000, the bill would provide that \$2,000,000 could be charged to irrigation, \$500,000 to flood control, and the remaining \$1,500,000 would have to be a direct appropriation by Congress; is that correct?

Mr. McCARRAN. A direct appropriation, but the amount might be repaid or charged to the land for repayment.

Mr. AIKEN. The bill would not apply to dams where power is produced for sale, would it?

Mr. McCARRAN. It would not.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. VANDENBERG. Mr. President, let me ask the Senator whether any question of State-Federal relationships is involved in the bill?

Mr. McCARRAN. Not in the least.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1252) to amend the act of August 11, 1939 (53 Stat. 1418), as amended by the act of October 14, 1940 (54 Stat. 119), relating to water conservation and utilization projects.

Mr. TAFT. Mr. President, I do not quite understand the report. The report refers to a committee amendment which does not seem to appear in the bill.

What I have in mind is that the report on Senate bill 1257, Calendar No. 375, states that "the following amendments were adopted by the committee"—

The PRESIDING OFFICER. The Chair informs the Senator that the bill now under consideration by the Senate is Senate bill 1252, Calendar No. 374. The Senator is referring to a different bill.

Mr. McCARRAN. Mr. President, I understood that Senate bill 1252 had been passed by the Senate, and that the Senate now has under consideration Senate bill 1257, Calendar No. 375. Is that correct?

The PRESIDING OFFICER. The parliamentary situation is that Senate bill 1252, Calendar No. 374, is under consideration by the Senate. The bill has not as yet been passed.

The question is on the engrossment and third reading of the bill.

The bill (S. 1252) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the last proviso of section 1 of the act of August 11, 1939 (53 Stat. 1418), as amended (hereinafter referred to as the act), is hereby amended to read as follows: "And provided further, That expenditures from appropriations made directly pursuant to the authority contained in section 12 (1) to meet reimbursable construction costs allocated to irrigation as defined in section 4 (b) shall not exceed \$2,000,000 for dams and reservoirs in any one project, and that expenditures from appropriations made directly pursuant to the authority contained in section 12 (1) to meet costs allocated to flood control by the Secretary after consultation with the Chief of Engineers, War Department, shall not exceed \$500,000 on any one project."

SEC. 2. Subparagraph (vii) of subsection 3 (a) of the act is hereby amended to read as follows:

"(vii) The part of the estimated cost which can properly be allocated to flood control as recommended by the Secretary after consultation with the Chief of Engineers, War Department."

SEC. 3. Subsection 3 (b) of the act is hereby amended to read as follows:

"(b) No actual construction of the physical features of a project shall be undertaken unless and until (1) the Secretary has found that lands, or interests in lands, deemed necessary for the construction and operation of the major features of the projects have been secured, or sufficient progress made in their procurement to indicate the probability that all these lands or interests in lands can be secured, with titles and at prices satisfactory to him; and (2) the Secretary has found (i) that water rights adequate for the purposes of the project have been acquired with titles and at prices satisfactory to him, or that such water rights have been initiated and in his judgment can be perfected in conformity with State law and any applicable interstate agreements and in a manner satisfactory to him; and (ii) that such water rights can be utilized for the purposes of the project in conformity with State law and any applicable interstate agreements and in a manner satisfactory to him."

SEC. 4. Section 3 of the act is hereby amended by the addition of the following subsection:

"(c) Any part of a project hereunder may be designated as a division of the project by the Secretary if he, after consultation with the Secretary of Agriculture, deems this desirable for orderly and efficient construction or administration. The term 'project,' as used in subsection 3 (b) and section 4, shall be deemed to mean also 'division of a project,' designated as provided in this subsection. Any project authorized for construction from appropriations under the head 'Water Conservation and Utility Projects' in the Interior Department Appropriation Act, 1940 (53 Stat. 685), hereinafter called the 1940 water-conservation appropriation, may be designated by the Secretary, upon agreement with the Secretary of Agriculture, a project under this act and shall thereupon be subject to all the provisions and requirements thereof, except those of subsections 3 (a) and 3 (b)."

SEC. 5. Section 4 of the act is hereby amended by the addition of the following subsection:

"(d) For each project, on which construction is commenced or continued under this subsection, appropriations heretofore or hereafter made pursuant to section 12 and the unexpended balance of the 1940 water-conservation appropriation, in addition to being available for other authorized objects of expenditure, shall be available for expenditure, by the agency to which available, in lieu of the 'services, labor, materials, or other property, including money,' authorized to be utilized under section 2 and subsection 5 (b). All expenditures on each such project may be excluded (1) from the project construction

costs to the extent the Secretary finds necessary to keep the reimbursable costs within the findings made under subsections 3 (a) (iv), 3 (a) (v), and 3 (a) (vi), and (2) from the costs that but for this subsection would be required to be returned under section 5, to the extent deemed necessary by the Secretary of Agriculture for the successful prosecution of the project; and as to each such project the limitations on expenditures provided in sections 1 and 9 shall be inoperative. Appropriations made pursuant to section 12 shall be available for expenditures for continuation of construction on any project heretofore undertaken under the 1940 water-conservation appropriation, and such expenditures and those from the 1940 water-conservation appropriation may be excluded from the costs of any such project in determining the amounts required to be reimbursed, to the extent the Secretary and the Secretary of Agriculture jointly determine is necessary to keep reimbursable costs within the ability of the water users to repay. No project may be initiated for construction or, if heretofore authorized, continued under this subsection unless the Secretary, following consultation with the Secretary of Agriculture, finds that the proposed construction under this subsection is justifiable as an aid in the production of needed agricultural products and the President approves said finding. The utilization of services or labor of prisoners of war under section 2 is authorized, subject to the approval of, and regulations by, the War Department or other Federal agency having control of said prisoners. From and after the date 6 months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress, this subsection shall no longer be of any force or effect except as to projects on which construction has been initiated or continued under this subsection prior to said date."

SEC. 6. Section 5 of the act is hereby amended by the addition of the following subsection:

"(c) Where the aggregate amount involved does not exceed \$300, the provisions of section 3709 of the Revised Statutes (41 U. S. C. 5) shall not apply to any purchase or service authorized for the Department of Agriculture under this act or under the 1940 water-conservation appropriation."

The PRESIDING OFFICER. The Chair is advised that there is a typographical error in the title of the bill. In the second line of the title, the figure "119" should be changed to read "1119."

The title was amended so as to read:

A bill to amend the act of August 11, 1939 (53 Stat. 1418), as amended by the act of October 14, 1940 (54 Stat. 1119), relating to water conservation and utilization projects.

WARTIME CONSTRUCTION AND OPERATION OF RECLAMATION PROJECTS

Mr. McCARRAN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 1257, Calendar No. 375.

The PRESIDING OFFICER. The bill will be reported by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1257) authorizing wartime construction and operation and maintenance of reclamation projects:

Mr. TAFT. Mr. President, it seems to me that the provisions of the bill are extremely broad, giving general Federal power to operate irrigation systems anywhere and everywhere. I particularly desire to ask whether the report is correct in saying that certain amendments were agreed to. I read from the report:

sell, or lease for domestic purposes for a period not longer than 6 months after the cessation of hostilities in the present war, as proclaimed by the President, upon such terms as the Secretary of the Treasury shall deem advisable, to any person, partnership, association, or corporation, or any department of the Government, for purposes, including but not limited to the making of munitions of war and the supplying of civilian needs, and the converting of existing plants to those purposes, any silver held or owned by the United States: *Provided*, That no silver shall be sold under this act at less than 71.11 cents per fine troy ounce: *Provided further*, That at all times the ownership and the possession or control within the United States of an amount of silver of a monetary value equal to the face amount of all outstanding silver certificates heretofore or hereafter issued by the Secretary of the Treasury shall be maintained by the Treasury.

SEC. 2. This act shall expire on December 31, 1944.

The SPEAKER. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

WATER CONSERVATION AND UTILIZATION PROJECTS

Mr. WHITE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1252) to amend the act of August 11, 1939 (53 Stat. 1418), as amended by the act of October 14, 1940 (54 Stat. 1119), relating to water conservation and utilization projects.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object.

Mr. WHITE. Mr. Speaker, this is a perfecting amendment to the Wheeler-Case Act, which has passed this House and has been in operation. A good many projects started up, but due to the lack of authority in the present war, they cannot go forward. This simply provides the authority for that purpose.

Mr. MARTIN of Massachusetts. In other words, it simply provided that these projects would be built by C. C. C. and P. W. A. labor, which now is out of the question, and this provides a new means.

Mr. WHITE. Yes.

Mr. MURDOCK. Mr. Speaker, I may add that this bill, or an identical bill, was reported out unanimously by the Committee on Irrigation and Reclamation at the time it was reported out. The minority leader will find on questioning any member of that committee, on his side of the aisle, that we felt this a necessary war measure in our food production program. Not only did the Secretary of the Interior recommend that it be passed, but the War Food Administration is strongly back of it. It will enable the Wheeler-Case Act to be transformed into a war act and enable numerous small projects in the semi-arid West to add to the total food producing areas in the shortest possible time. I trust that the measure may be handled with dispatch. H. R. 3019 is identical with S. 1252. Therefore, I hope in the interest of speed that the Senate bill will be passed in lieu of the House bill.

The SPEAKER. Is there objection to the present consideration of the Senate bill?

There was no objection.

The Clerk read the Senate bill as follows:

Be it enacted, etc., That the last proviso of section 1 of the act of August 11, 1939 (53 Stat. 1418), as amended (hereinafter referred to as the act), is hereby amended to read as follows: "*And provided further*, That expenditures from appropriations made directly pursuant to the authority contained in section 12 (1) to meet reimbursable construction costs allocated to irrigation as defined in section 4 (b) shall not exceed \$2,000,000 for dams and reservoirs in any one project, and that expenditures from appropriations made directly pursuant to the authority contained in section 12 (1) to meet costs allocated to flood control by the Secretary after consultation with the Chief of Engineers, War Department, shall not exceed \$500,000 on any one project."

SEC. 2. Subparagraph (vii) of subsection 3 (a) of the act is hereby amended to read as follows:

"(vii) The part of the estimated cost which can properly be allocated to flood control as recommended by the Secretary after consultation with the Chief of Engineers, War Department."

SEC. 3. Subsection 3 (b) of the act is hereby amended to read as follows:

"(b) No actual construction of the physical features of a project shall be undertaken unless and until (1) the Secretary has found that lands, or interests in lands, deemed necessary for the construction and operation of the major features of the projects have been secured, or sufficient progress made in their procurement to indicate the probability that all these lands or interests in lands can be secured, with titles and at prices satisfactory to him; and (2) the Secretary has found (i) that water rights adequate for the purposes of the project have been acquired with titles and at prices satisfactory to him, or that such water rights have been initiated and in his judgment can be perfected in conformity with State law and any applicable interstate agreements and in a manner satisfactory to him; and (ii) that such water rights can be utilized for the purposes of the project in conformity with State law and any applicable interstate agreements and in a manner satisfactory to him."

SEC. 4. Section 3 of the act is hereby amended by the addition of the following subsection:

"(c) Any part of a project hereunder may be designated as a division of the project by the Secretary if he, after consultation with the Secretary of Agriculture, deems this desirable for orderly and efficient construction or administration. The term 'project', as used in subsection 3 (b) and section 4, shall be deemed to mean also 'division of a project', designated as provided in this subsection. Any project authorized for construction from appropriations under the head 'Water Conservation and Utility Projects' in the Interior Department Appropriation Act, 1940 (53 Stat. 685), hereinafter called the 1940 water conservation appropriation, may be designated by the Secretary, upon agreement with the Secretary of Agriculture, a project under this act and shall thereupon be subject to all the provisions and requirements thereof, except those of subsections 3 (a) and (3) (b)."

SEC. 5. Section 4 of the act is hereby amended by the addition of the following subsection:

"(d) For each project on which construction is commenced or continued under this subsection appropriations heretofore or hereafter made pursuant to section 12 and the

unexpended balance of the 1940 water conservation appropriation, in addition to being available for other authorized objects of expenditure, shall be available for expenditure, by the agency to which available, in lieu of the 'services, labor, materials, or other property, including money', authorized to be utilized under section 2 and subsection 5 (b). All expenditures on each such project may be excluded (1) from the project construction costs to the extent the Secretary finds necessary to keep the reimbursable costs within the findings made under subsections 3 (a) (iv), 3 (a) (v), and 3 (a) (vi), and (2) from the costs that but for this subsection would be required to be returned under section 5, to the extent deemed necessary by the Secretary of Agriculture for the successful prosecution of the project; and as to each such project the limitations on expenditures provided in sections 1 and 9 shall be inoperative. Appropriations made pursuant to section 12 shall be available for expenditures for continuation of construction on any project heretofore undertaken under the 1940 water conservation appropriation, and such expenditures and those from the 1940 water conservation appropriation may be excluded from the costs of any such project in determining the amounts required to be reimbursed, to the extent the Secretary and the Secretary of Agriculture jointly determine is necessary to keep reimbursable costs within the ability of the water users to repay. No project may be initiated for construction or, if heretofore authorized, continued under this subsection unless the Secretary, following consultation with the Secretary of Agriculture, finds that the proposed construction under this subsection is justifiable as an aid in the production of needed agricultural products and the President approves said finding. The utilization of services or labor of prisoners of war under section 2 is authorized, subject to the approval of, and regulations by, the War Department or other Federal agency having control of said prisoners. From and after the date 6 months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress, this subsection shall no longer be of any force or effect except as to projects on which construction has been initiated or continued under this subsection prior to said date."

SEC. 6. Section 5 of the act is hereby amended by the addition of the following subsection:

"(c) Where the aggregate amount involved does not exceed \$300, the provisions of section 3709 of the Revised Statutes (41 U. S. C. 5) shall not apply to any purchase or service authorized for the Department of Agriculture under this act or under the 1940 water conservation appropriation."

The SPEAKER. The question is on the third reading of Senate bill.

The Senate bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

MEDICAL DEPARTMENT, REGULAR ARMY

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 997) to amend certain provisions of the National Defense Act of June 3, 1916, as amended, relating to the Medical Department of the Regular Army, with Senate amendments thereto, and concur in the Senate amendments.

The SPEAKER. The Clerk will report the Senate amendments.

The Clerk read as follows:

Page 1, strike out all after line 2 over to and including line 14, page 3, and insert: "That there is hereby established in the Medical Department of the Army a corps to be known as the 'Pharmacy Corps.' The Pharmacy Corps shall consist of seventy-two officers in grades from colonel to second lieutenant, inclusive. Appointments in the Pharmacy Corps, except as hereinafter provided for transfer thereto, shall be made in the grade of second lieutenant from pharmacists between the ages of twenty-one and thirty-two years who are graduates of recognized schools or colleges of pharmacy requiring four years of instruction for graduation, under such regulations and after such examinations as the Secretary of War shall prescribe. An officer of the Pharmacy Corps shall be promoted to the grade of first lieutenant after three years' service, to the grade of captain after six years' service, to the grade of major after twelve years' service, to the grade of lieutenant colonel after twenty years' service, and to the grade of colonel after twenty-six years' service: *Provided*, That officers of the Regular Army holding commissions in the Medical Administrative Corps on the date of enactment of this Act shall be transferred to the Pharmacy Corps and commissioned in grade in such corps in addition to the seventy-two officers authorized for the corps."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. Will the gentleman explain these amendments? As I understand it this bill provides for the addition of some 42.

Mr. MAY. That is the only change that the Senate has made.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. FISH. Mr. Speaker, I ask the gentleman from Kentucky if he can inform the House when they expect to bring in a bill increasing the allowances for dependents of veterans in this war, particularly the fathers and mothers and children.

Mr. MAY. That bill does not relate in any sense to the pending bill. As a matter of fact, we have not yet taken it up, and it has not been called to our attention. It was introduced in the Senate only last week.

Mr. FISH. Did it not go through the Senate today?

Mr. MAY. If it did, I have had no notice of it, and I have not had time to get my committee together yet.

Mr. FISH. I hope the gentleman will get his committee together before midnight.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. The question is on concurring in the Senate amendments.

The Senate amendments were concurred in and a motion to reconsider laid on the table.

The title was amended so as to read: "An act to establish in the Medical Department of the Army a corps to be known as the pharmacy corps."

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the gentleman from West Virginia [Mr. RANDOLPH] may extend his remarks and include an address made at his request by the gentleman from California [Mr. HINSHAW], July 4, 1943, together with historical notes and certain excerpts.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to appears in the Appendix.]

Mr. HOLMES of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address delivered to the Massachusetts Members of Congress by the Massachusetts Farm Bureau Federation, Inc.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to appears in the Appendix.]

MRS. RENZIE GRAHAM

Mr. JENKINS. Mr. Speaker, on the last call of the Private Calendar, the bill (H. R. 550) for the relief of the estate of Renzie Graham was stricken from the calendar. I ask unanimous consent that it may be restored.

The SPEAKER. Is there objection?
There was no objection.

EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article by Mr. Chaney on Starving Europe.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

CORRECTION OF REMARKS

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent to correct my own remarks as they appear in the Appendix of the RECORD of last Saturday by adding three words, "contributions by unions."

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my remarks and include, first, an article by Channing Pollock, and, secondly, an article by John H. Cline, both of which appeared in yesterday's Washington Star.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. McLEAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein an address I made yesterday.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to appears in the Appendix.]

Mr. BATES of Massachusetts. Mr. Speaker, I ask unanimous consent to ex-

tend my remarks and include an address I made on yesterday.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to appears in the Appendix.]

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and to include therein an address by Hon. Dwight Griswold, Governor of Nebraska.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to appears in the Appendix.]

CORRECTION OF ROLL CALL

Mr. BUTLER. Mr. Speaker, on roll call No. 132 I am recorded as not voting. I was present and voted "no." I ask unanimous consent that the RECORD and JOURNAL be corrected accordingly.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, Mr. PLOESER was granted permission to extend his own remarks in the Appendix of the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. CASE. Mr. Speaker, I ask unanimous consent that, at the conclusion of today's business and any other special orders, I may address the House for 10 minutes.

The SPEAKER. Is there objection?
There was no objection.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a very fine report on the Women's Army Corps, just created, by Father Casey, of the Women's Army Corps.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to appears in the Appendix.]

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter to the President, one to Mr. Ickes, and a document. I have an estimate from the Public Printer. It is estimated it will require three and one-fifth pages and will cost \$144. I ask unanimous consent that it may be included notwithstanding.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. JARMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a piece of poetry.

The SPEAKER. Is there objection?
There was no objection.

[The matter referred to appears in the Appendix.]

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article from the Saturday Evening Post.

[PUBLIC LAW 152—78TH CONGRESS]

[CHAPTER 242—1ST SESSION]

[S. 1252]

AN ACT

To amend the Act of August 11, 1939 (53 Stat. 1418), as amended by the Act of October 14, 1940 (54 Stat. 1119), relating to water conservation and utilization projects.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last proviso of section 1 of the Act of August 11, 1939 (53 Stat. 1418), as amended (hereinafter referred to as the Act), is hereby amended to read as follows: "*And provided further*, That expenditures from appropriations made directly pursuant to the authority contained in section 12 (1) to meet reimbursable construction costs allocated to irrigation as defined in section 4 (b) shall not exceed \$2,000,000 for dams and reservoirs in any one project, and that expenditures from appropriations made directly pursuant to the authority contained in section 12 (1) to meet costs allocated to flood control by the Secretary after consultation with the Chief of Engineers, War Department, shall not exceed \$500,000 on any one project."

SEC. 2. Subparagraph (vii) of subsection 3 (a) of the Act is hereby amended to read as follows:

"(vii) The part of the estimated cost which can properly be allocated to flood control as recommended by the Secretary after consultation with the Chief of Engineers, War Department."

SEC. 3. Subsection 3 (b) of the Act is hereby amended to read as follows:

"(b) No actual construction of the physical features of a project shall be undertaken unless and until (1) the Secretary has found that lands, or interests in lands, deemed necessary for the construction and operation of the major features of the projects have been secured, or sufficient progress made in their procurement to indicate the probability that all these lands or interests in lands can be secured, with titles and at prices satisfactory to him; and (2) the Secretary has found (i) that water rights adequate for the purposes of the project have been acquired with titles and at prices satisfactory to him, or that such water rights have been initiated and in his judgment can be perfected in conformity with State law and any applicable interstate agreements and in a manner satisfactory to him; and (ii) that such water rights can be utilized for the purposes of the project in conformity with State law and any applicable interstate agreements and in a manner satisfactory to him."

SEC. 4. Section 3 of the Act is hereby amended by the addition of the following subsection:

"(c) Any part of a project hereunder may be designated as a division of the project by the Secretary if he, after consultation with the Secretary of Agriculture, deems this desirable for orderly and efficient construction or administration. The term 'project', as used in subsection 3 (b) and section 4, shall be deemed to mean also 'division of a project', designated as provided in this subsection. Any project authorized for construction from appropriations under

the head 'Water Conservation and Utility Projects' in the Interior Department Appropriation Act, 1940 (53 Stat. 685), hereinafter called the 1940 water conservation appropriation, may be designated by the Secretary, upon agreement with the Secretary of Agriculture, a project under this Act and shall thereupon be subject to all the provisions and requirements thereof, except those of subsections 3 (a) and 3 (b)."

SEC. 5. Section 4 of the Act is hereby amended by the addition of the following subsection:

"(d) For each project, on which construction is commenced or continued under this subsection, appropriations heretofore or hereafter made pursuant to section 12 and the unexpended balance of the 1940 water conservation appropriation, in addition to being available for other authorized objects of expenditure, shall be available for expenditure, by the agency to which available, in lieu of the 'services, labor, materials, or other property, including money', authorized to be utilized under section 2 and subsection 5 (b). All expenditures on each such project may be excluded (1) from the project construction costs to the extent the Secretary finds necessary to keep the reimbursable costs within the findings made under subsections 3 (a) (iv), 3 (a) (v), and 3 (a) (vi), and (2) from the costs that but for this subsection would be required to be returned under section 5, to the extent deemed necessary by the Secretary of Agriculture for the successful prosecution of the project; and as to each such project the limitations on expenditures provided in sections 1 and 9 shall be inoperative. Appropriations made pursuant to section 12 shall be available for expenditures for continuation of construction on any project heretofore undertaken under the 1940 water conservation appropriation, and such expenditures and those from the 1940 water conservation appropriation may be excluded from the costs of any such project in determining the amounts required to be reimbursed, to the extent the Secretary and the Secretary of Agriculture jointly determine is necessary to keep reimbursable costs within the ability of the water users to repay. No project may be initiated for construction or, if heretofore authorized, continued under this subsection unless the Secretary, following consultation with the Secretary of Agriculture, finds that the proposed construction under this subsection is justifiable as an aid in the production of needed agricultural products and the President approves said finding. The utilization of services or labor of prisoners of war under section 2 is authorized, subject to the approval of, and regulations by, the War Department or other Federal agency having control of said prisoners. From and after the date six months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress, this subsection shall no longer be of any force or effect except as to projects on which construction has been initiated or continued under this subsection prior to said date."

SEC. 6. Section 5 of the Act is hereby amended by the addition of the following subsection:

"(c) Where the aggregate amount involved does not exceed \$300, the provisions of section 3709 of the Revised Statutes (41 U. S. C. 5) shall not apply to any purchase or service authorized for the Department of Agriculture under this Act or under the 1940 water conservation appropriation."

Approved July 16, 1943.